



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

First Quarter Ended March 31, 2026

May 4, 2026

The following management's discussion and analysis ("MD&A") provides information concerning the consolidated financial condition and results of operations of Propel Holdings Inc. ("Propel", the "Company", "we", "our" or "us"). This MD&A should be read in conjunction with our unaudited condensed interim consolidated financial statements together with the notes thereto dated as at March 31, 2026. This MD&A is dated as of **May 4, 2026** and is current to this date unless otherwise stated. The financial information presented in this MD&A is derived from the Company's unaudited condensed interim consolidated financial statements and the related notes thereto described above, all of which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are in United States ("US") dollars except where otherwise indicated.

Forward-Looking Information

Certain statements made in this MD&A may constitute forward-looking information under applicable securities laws. These statements may relate to our expected future growth, the impact of the Column partnership and the rollout of the *Freshline*TM offering on our operational footprint and growth in the near-prime consumer segment, the impact of the introduction of enhanced AI capabilities on our costs and the expected impact on our operating leverage and customer service over time, the expected impact of continued growth in returning and existing customers, customer graduation to lower cost credit products and the aging of the portfolio on our Annualized Revenue Yield¹, and the expected offsetting benefits from higher-yielding programs like the MoneyKey Bank Service Program, QuidMarket and the Company's LaaS program, lower expected loss rates from higher credit quality segments resulting in strong unit economics, our expansion into new geographies, the integration, management and operation of QuidMarket, the success of our marketing strategies, our ability to achieve scale in variable pricing and graduation programs and the resulting growth in loans and advances receivable and Ending Combined Loan and Advance Balances¹, the short term and long term impact of the Company's portfolio growth, our future underwriting practices, the increase in our salaries, wages, benefits and administrative expenses as a result of supporting continued business development and growth, the expected growth in future revenues over upcoming periods, the expected changes in Annualized Revenue Yield¹ and future Net Charge-Off¹ rates as a result of the expansion of our facilitation of lower cost products and enhanced underwriting, our expectation for future loan loss provisions and other liabilities going forward, the anticipated reduction in the cost of credit of products offered through our platform and lower default rates resulting from the growth in new products, the impact of tariffs, inflation and the overall macroeconomic environment on Net Charge-Offs¹ and profitability, expected future interest rates, the resiliency of our target consumers and expected future consumer demand for credit, the expansion and enhancement of margins, allowance for credit losses, future changes in accounting policy and purchases under the Company's Normal Course Issuer Bid ("NCIB"), QuidMarket's ability to absorb higher acquisition and data expenses while remaining profitable, the impact and potential rollout of our generative AI pilot project, our business development pipeline's impact on our long-term growth and profitability. Such statements are based on management's reasonable assumptions and beliefs in light of the information currently available to us and are made as of the date of this MD&A. However, we do not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws in Canada. Actual results and the timing of events may differ materially from those anticipated in the forward-looking information as a result of various factors, including those described in "Risks and Uncertainties". Additional risks and uncertainties are discussed in the Company's materials filed with the Canadian securities regulatory authorities from time to time, including the Company's annual information form dated March 2, 2026 (the "AIF"). These factors are not intended to represent a complete list of the factors that could affect us; however, these factors should be considered carefully. A copy of the AIF and the Company's other publicly filed documents can be accessed under the Company's profile on SEDAR+ at www.sedarplus.ca.

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

Non-IFRS Financial Measures and Industry Metrics

This MD&A makes reference to certain non-IFRS financial measures and industry metrics. These measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management’s perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. The non-IFRS financial measures include “Adjusted EBITDA”, “Adjusted EBITDA Margin”, “Adjusted Net Income”, “Adjusted Net Income Margin”, “Adjusted Earnings per Share”, “Adjusted Return on Equity”, “Average Combined Loan and Advance Balances”, “EBITDA”, “EBITDA Margin”, “Ending Combined Loan and Advance Balances”, “Net Charge-Offs”, and “Net Charge-Offs as a Percentage of Average Combined Loan and Advance Balances”. This MD&A also makes reference to industry metrics that are considered supplementary measures under applicable securities laws. These industry metrics include “Annualized Revenue Yield”, “Cost Per Funded Origination”, “Cost Per New Customer Funded Origination”, “Total Originations Funded” and “New Customer % of Total Originations Funded.” See “Key Components of Results of Operations” in this MD&A for definitions of such non-IFRS financial measures and industry metrics.

For a reconciliation of the non-IFRS financial measures referenced herein, please see “Reconciliation of Non-IFRS Financial Measures” in this MD&A.

These non-IFRS financial measures and industry metrics are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We believe that securities analysts, investors and other interested parties frequently use non-IFRS financial measures and industry metrics in the evaluation of issuers. The Company’s management also uses non-IFRS financial measures and industry metrics in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts, and to determine components of management and executive compensation. The key performance indicators used by the Company may be calculated in a manner different than similar key performance indicators used by other similar companies.

Business Overview

Propel is the fintech company building a new world of financial opportunity for consumers, partners, and investors. We do this by facilitating access to credit for millions of American, Canadian and United Kingdom (“UK”) consumers underserved by traditional financial institutions. Through our artificial intelligence (“AI”)-powered technology platform and regulated banking infrastructure, Propel evaluates consumers in a more comprehensive way than traditional credit scores can. The result is the ability to offer better products to an expanded credit market for consumers, while creating sustainable, profitable growth for Propel. We operate under *Fora Credit*TM in Canada, *QuidMarket*TM in the UK, and *CreditFresh*TM, *MoneyKey*TM and our white-labelled LaaS product line in the US. Propel International Bank, Inc. (“**Propel Bank**”) supports lending and servicing activities and provides additional regulatory and operational flexibility to the US business.

To build a new world of financial opportunity, we are constantly driving towards our core mission built on three pillars: inclusion, evolution and experience – based on the principles that every individual deserves access to credit, that consumers should be able to evolve to better products over time, and that they deserve a best-in-class experience.

Propel enables access to credit through two types of credit products currently available on our platform:

- Installment Loans — fixed term, fully amortizing loans with a fixed repayment schedule; and
- Lines of Credit — open-ended lines of credit that provide consumers the flexibility to draw cash advances and repay any amount up to their available credit with a minimum payment due each period.

Transparency is at the foundation of how we operate. The terms and conditions of the credit products vary depending on the jurisdiction in which they are offered and the program through which they are offered. Credit products facilitated through the Propel platform are intended to be simple, transparent and easy to understand. The cost of the product and other important terms and product details are presented to the consumer upfront and in plain language. There are no surprise fees or prepayment penalties for any of the products offered through our platform.

Propel Bank

On December 2, 2025, Propel launched Propel Bank, a wholly owned subsidiary of Propel, which operates as a regulated banking platform based in Puerto Rico under an International Financial Entity (“**IFE**”) license regulated by the Office of the Commissioner of Financial Institutions of Puerto Rico (“**OCFI**”). Propel Bank became operational in Q1 2026 and supports lending and servicing activities across the Company’s US programs, complementing Propel’s existing Bank Partner and LaaS models. Propel Bank is designed to support the Company’s long-term global growth strategy of expanding access to credit while enhancing regulatory and operational flexibility. Over time, Propel Bank is expected to enable product and service diversification and support geographic expansion, while maintaining Propel’s disciplined approach to underwriting, compliance, and consumer service. The launch of Propel Bank represents an extension of the Company’s established platform and capabilities, rather than a change in business model, and is intended to support scalable, sustainable growth as the business continues to evolve.

Lending-as-a-Service

On June 20, 2023, Propel announced that it had officially launched its LaaS service offering through a five-year agreement to operate as the primary LaaS partner for Pathward®, N.A. (“**Pathward**”), a national bank chartered by the Office of the Comptroller of the Currency (“**OCC**”). Powered by Propel’s AI-powered technology platform, Pathward provides a sub-36% APR line of credit through its partner network and also through Propel’s marketing acquisition engine. In 2024, Propel expanded its LaaS offering by launching two additional LaaS partnerships through its CreditFresh brand with its existing Bank Partners. On November 6, 2025, Propel announced an additional LaaS partnership with Column National Association (“**Column**”), a nationally chartered bank, further expanding the Company’s LaaS capabilities and geographic reach. The Column partnership was officially launched on March 10, 2026, alongside the rollout of the *Freshline™* offering under the CreditFresh program. The Column LaaS partnership is supported by \$210 million of committed forward flow capital, including \$60 million from Mesirow Alternative Credit and \$150 million from an additional institutional investor. This represents the largest capital commitment supporting any of Propel’s LaaS partnerships to date and is expected to support the rollout of *Freshline™*, expand the Company’s operational footprint across additional US states, and accelerate growth into the near-prime customer segment. Together with its existing LaaS partnerships, the Column relationship enhances Propel’s ability to deliver scalable, capital-light growth while maintaining a consistent underwriting and servicing framework across Bank Partners.

Through its LaaS service offering, Propel provides white labelled technology and service solutions, with Propel earning fee income for customer acquisition services, provision of loan management software, licensing of proprietary AI-powered risk and response scores and credit servicing capabilities. The credit products are offered by the CreditFresh Bank Partners, Column and Pathward and are structurally distinct from the Company’s on-balance sheet programs, as the lines of credit originated are acquired and held by unaffiliated third party financial institutions pursuant to forward flow arrangements. The credit products offered under the CreditFresh LaaS program are similar to those credit products currently originated by the Company’s Bank Partners under the CreditFresh program. Through the LaaS service offering, Propel will be able to provide access to credit to a broader population of underserved consumers across the US. These LaaS partnerships accelerate Propel’s strategic plan to diversify its current product and service offerings and expand its geographic reach, while leveraging its proven core competencies and proprietary technology platform.

Acquisition of QuidMarket

On September 26, 2024, Propel announced that it was expanding into the UK market and had entered into a definitive share purchase agreement to acquire 100% of Stagemount Limited (dba “**QuidMarket**”) for \$71 million in cash (the “**Acquisition**”). Based in Nottingham, UK, QuidMarket is a leading digital fintech lender specializing in credit for underserved consumers and has operated in the UK since 2011. The UK market has an estimated 20 million underserved consumers and provides a foothold in the large underserved European market for Propel. Existing QuidMarket management, with deep experience in the UK market, remained with the company to operate on a go-forward basis. QuidMarket has over 90 employees and provides short-term installment loans that range from 3-6 months and also offers loans up to 12-months to qualifying return customers. The Acquisition was financed from the net proceeds of an \$82 million (C\$115 million) bought deal offering of subscription receipts, which closed on October 3, 2024. Following the receipt of applicable regulatory approvals, including the approval of the Financial Conduct Authority (“**FCA**”), the Acquisition closed on November 15, 2024.

Credit Facilities

In the US, we operate under the MoneyKey and CreditFresh brands. Generally, the MoneyKey brand serves consumers with a higher credit risk profile than the CreditFresh brand. The MoneyKey direct lending program and CreditFresh Bank Programs are supported by two distinct revolving credit facilities. Such credit facilities collectively provided for up to \$415 million of borrowing capacity at any time as of March 31, 2026. On April 23, 2026, the MoneyKey facility was fully repaid and terminated (see “**Liquidity and Capital Resources**” and “**Subsequent Events**” in this MD&A). In addition, in Canada, the Fora Credit (“**Fora**”) direct lending program is supported by a revolving credit facility that provides for up to approximately C\$26 million of borrowing capacity at any time as of March 31, 2026. On April 28, 2026, the Fora revolving credit facility was amended and upsized to C\$40 million (see “**Liquidity and Capital Resources**” and “**Subsequent Events**” in this MD&A). The amendment also resulted in a reduction in the interest rate for the facility by approximately 200 bps. Lastly, the QuidMarket direct lending program acquired in the UK (see “**Acquisition of QuidMarket**” above), is not currently supported by a standalone credit facility and is primarily funded through internally generated operating cash flow. While we believe QuidMarket is able to support its operations through retained earnings, Propel may obtain a standalone credit facility for the business in the future. For further detail around working capital, liquidity, and debt financing, see “**Liquidity and Capital Resources**” in this MD&A.

Summary of Factors Affecting Our Performance

We believe that our performance and future success depends on a number of factors that present significant opportunities for us. These factors are also subject to a number of inherent risks and challenges, some of which are discussed below and in the “Risk Factors” section of the AIF.

Our ability to continue to grow the business and generate improvements in the financial performance depends on our ability to execute on our three-pronged strategy of: (i) continuing to generate strong and stable revenue growth by facilitating additional credit to new, existing, and returning customers; (ii) maintaining and improving strong credit performance through continuously enhancing our AI-powered, Bank Partner approved, underwriting capabilities; and (iii) driving operating cost efficiencies across our platform by increasing automation and online customer self-service capabilities, and managing our key operating costs such as customer acquisition, personnel, and our cost of debt.

Origination and Revenue Growth

A key pillar of our Company mission is “credit inclusion” – we aim to enable access to credit for consumers underserved by traditional financial institutions. As a credit and services provider, our ability to generate strong, stable revenue growth and profitability depends on several factors including: i) our ability to grow our Ending Combined Loan and Advance Balances¹ while maintaining target loan losses across the three countries that we currently operate in; and ii) our ability to grow our LaaS program.

The loan portfolio, which is comprised of loan and advance balances, grows through a combination of attracting new customers (for us and our Bank Partners) and by retaining and continuing to provide credit to existing customers. A growing, diversified suite of credit products is available through our platform and across our four operating brands. The diversified suite of products facilitated through our platform, coupled with our robust servicing capabilities allows us to maintain high customer retention rates for us and our Bank Partners. The potential for us and our Bank Partners to develop new credit products or services and/or enter into new jurisdictions, coupled with the consistent transition in our industry from brick and mortar to online services, is expected to allow us to further grow the loan portfolio.

Our ability to access debt capital on attractive terms is critical to our ability to make or facilitate loans, grow our receivables and grow our business. We have long-term relationships with many of our debt capital partners and have attractive economic terms that underpin our ability to grow loan and advance balances profitably. Furthermore, we continue developing relationships with prospective new debt partners who may ultimately provide additional debt capital to the business in the future, as required.

As discussed above under “Business Overview”, one of the distinctions of the LaaS program is that any credit products originated through the LaaS program are acquired and held by unaffiliated third party financial institutions through forward flow arrangements. Therefore, our access to and our ability to establish relationships with these unaffiliated third party financial institutions on attractive terms is critical to our ability to facilitate additional loans through the LaaS program. We currently operate with several unaffiliated third party financial institutions through forward flow arrangements and we continue developing relationships with prospective parties who may ultimately provide additional capital for the LaaS program.

In November 2024, we closed on the Acquisition of QuidMarket in the UK (see “**Business Overview**” above). Continuing to expand QuidMarket’s loan and advance balances and revenue is dependent on several factors including: i) our ability to integrate the business successfully and not materially disrupt the existing operations; ii) our ability to apply our expertise and technology capabilities to QuidMarket; and iii) the ability for QuidMarket to access capital on attractive terms.

Certain credit products facilitated through our platform are offered by our state-chartered, Federal Deposit Insurance Corporation (“**FDIC**”) insured Bank Partners and state-chartered, FDIC insured and federally regulated LaaS partners. We plan on deepening our relationships with our existing Bank and LaaS Partners and developing new relationships with other banks as we diversify the suite of products and services available through the Propel platform and enter new markets.

Together with our Bank Partners, we currently (as of March 31, 2026) offer and facilitate the offer of credit products in 46 states across the US, including those states serviced through our LaaS program, 6 provinces in Canada and across all countries within the UK. We plan on entering new geographies in both the US and Canada either through our direct lending model, in combination with our existing Bank Partners, through our existing LaaS partnerships, or through potential new partnerships.

In order to be served effectively, the consumers that we and our Bank Partners work with require a deeper level of credit adjudication which looks beyond traditional credit scores and sources. Thus, growing originations is dependent on our partnerships and our technology integrations with a plethora of data providers to obtain numerous inputs, including alternative credit bureau data and income and employment data.

Continuing to develop new, and enhancing existing relationships with marketing partners, enables us to fulfill on our multichannel, diversified marketing strategy which helps drive growth and increases access to consumer markets, geographically and across the credit spectrum.

Maintaining and Improving Credit Performance

Coupled with maintaining a growing loan portfolio, our business is dependent on ensuring that loan losses remain low and within a target range to ensure profitability. We have developed and operate a proprietary AI, machine learning underwriting technology, which is approved by our Bank Partners, focused on improving and optimizing our real-time loan decision-making to ensure that we are effective in evaluating a consumer's creditworthiness when factoring in thousands of applicant specific attributes as well as current macroeconomic and credit market conditions. Maintaining and improving target loan loss rates is critical to the business' profitability and to the continued growth of our loan and advance balances.

Cost Efficiencies

Our main variable costs are those related to loan and advance originations, which consist primarily of marketing costs, acquisition costs, and data costs related to underwriting. Our ability to achieve target cost efficiencies on each funded origination dollar is based on managing marketing costs through innovative partnerships and marketing strategies, managing our data costs by effectively leveraging products and data from our data providers, as well as increasing customer retention and scaling our business. In addition to acquiring new customers, we also focus on retaining existing customers on the Propel platform, generally at a significantly lower cost than acquiring new customers.

Apart from customer acquisition costs, operating costs are an important factor in our profitability. As we grow our business, we expect to generate further meaningful operating cost efficiencies relating to salaries and overhead costs, as well as processing costs connected with the funding and servicing of loans originated and serviced through our proprietary technology platform.

A key driver of these efficiencies is our continued investment in technology and automation, including the application of AI across our platform. Our AI capabilities support underwriting, customer acquisition, servicing and collections, enabling higher levels of automation, improved decision accuracy and increased operational efficiency. These capabilities allow us to increase the proportion of auto-decisioned originations, enhance customer targeting and conversion, and streamline servicing workflows, which reduces reliance on manual processes and improves scalability.

In addition, ongoing investments in AI-powered tools and digital capabilities within our contact center operations are improving human agent productivity and enabling a more efficient customer experience through increased self-service, AI-assisted interactions and digital engagement. While these investments may result in incremental costs in the near term, we are realizing early returns on these investments expect them to drive increasingly meaningful operating efficiencies and leverage over time as volumes scale, supporting our ability to grow revenue faster than operating expenses.

Seasonality

Typically for our US and Canadian businesses, a higher proportion of loan and advance balance growth is generated during the second half of the year (with the three-months ending December 31 (“Q4”) having strongest demand), which includes back-to-school and holiday seasons where the need for disposable income generally increases. Conversely, we tend to see higher rates of repayment of credit products coupled with lower rates of default in the first three months of the year ending March 31 (“Q1”), particularly in late February and into March when consumers receive their tax refunds. This, when coupled with the lower post-holiday demand, typically results in more disposable income. As a result, in a normalized economic environment, our Ending Combined Loan and Advance Balances¹ experience their highest rate of growth and hit their high point near the end of the year while experiencing their lowest rate of growth over the course of Q1. Revenues, which are generated from these outstanding balances, therefore tend to be highest in Q4 and margins tend to be highest in Q1.

Macroeconomic Environment and Outlook

Our ability to operate the business and our financial performance are influenced by several macroeconomic factors, including but not limited to interest rates, inflation, unemployment levels, wage growth and overall consumer confidence. The macroeconomic environment remains dynamic, shaped in part by evolving global trade policy, energy price volatility and their potential impact on price stability and economic activity. Recent inflation data indicate that price pressures have moderated from prior peaks in certain markets but remain above targets in others. In the US, the Consumer Price Index (“CPI”) increased 3.3% year-over-year in March 2026, reflecting a recent reacceleration in inflation, including continued pressure in essential categories. In Canada, CPI increased 2.4% year-over-year in March 2026, up from 1.8% in February 2026, remaining within the Bank of Canada’s target range despite some recent volatility in energy-related components. In the UK, CPI increased 3.3% year-over-year in March 2026, up from 3% in each of the previous two months.

Notwithstanding the recent data and the possibility of further inflationary pressures from global trade policy, global conflicts, and higher energy prices, moderating labour-market conditions and softer growth in certain markets have contributed to measured reductions in central bank policy rates. The Bank of Canada currently maintains a policy rate at 2.25%, following cumulative reductions of 275 basis points since June 2024. The US Federal Reserve currently maintains a target range for the federal funds rate of 3.50% - 3.75%, following cumulative reductions of 175 basis points since it began easing in 2024. The Bank of England currently maintains its Bank Rate at 3.75%, after cutting rates by a cumulative 150 bps since August 2024.

Our operations may be adversely impacted by elevated interest rates and inflation, primarily through higher operating costs, including employee compensation and financing costs. Furthermore, elevated interest rates may have a negative impact on the overall economy including upward pressure on the unemployment rate and increases in the cost of living. An increase in unemployment, as well as higher costs for essential goods and for servicing other credit obligations, may reduce consumers’ ability to repay outstanding loans. These pressures are more pronounced for consumers in our segment, who allocate a disproportionately larger share of their income to essential goods and services such as food, energy, housing and healthcare. According to the most recent Consumer Expenditure Survey published by the US Bureau of Labor Statistics (“BLS”), households in the lowest income quintile devoted approximately 67% of total spending to food, housing and healthcare, compared with approximately 47% for the highest income quintile. At the same time, wage growth has moderated from prior highs. The Federal Reserve Bank of Atlanta shows that as of March 2026, median nominal wage growth for workers in the lowest quartile of the wage distribution was 3.5%, compared with 3.9% for the overall population. After adjusting for inflation, real wage growth for many lower-income households has moderated. Notwithstanding these dynamics, labour markets in our served markets remain relatively resilient. In the US, total nonfarm payroll employment increased by 178,000 in March 2026 and the unemployment rate remained 4.3%, with job growth concentrated in sectors that employ many of our customers, including leisure and hospitality and healthcare.

Real GDP trends continue to illustrate some divergence across our core operating markets, although growth has generally moderated across all three. In the US, real GDP increased at an annualized rate of approximately 2.0% in the first quarter of 2026, reflecting a reacceleration in growth from the prior quarter, while consumer spending and service-sector activity remain relatively resilient. In Canada, real GDP increased at an annualized rate of approximately 1.7% in the first quarter of 2026, reflecting modest growth and a comparatively more constrained economic backdrop, particularly at the consumer level as compared to the US. The Canadian macroeconomic environment remains somewhat uncertain, including the impact of tariffs and trade-related dynamics, which may have a more pronounced effect on certain sectors of the Canadian economy. Canada's labour market has also softened modestly, with the unemployment rate at approximately 6.7% in March 2026, above recent cyclical lows. However, Canada represented approximately 2% of the Company's overall revenue during the Q1 2026 period (see revenue breakout in "**Revenue**" section of the MD&A below). In the UK, real GDP increased by approximately 1.0% in February 2026, and recent data indicate continued, albeit modest, economic growth. Labour market conditions in the UK have also softened modestly, with the unemployment rate at approximately 4.9% in the latest release. Overall, these trends reflect a macroeconomic backdrop that remains uncertain across our core markets, with relatively resilient conditions in the US.

We do not currently anticipate any material direct impact from US tariffs on Propel's operations. In light of the dynamic macroeconomic environment, we and our Bank Partners continue to take certain actions to mitigate potential adverse impacts, including sustaining tightened underwriting standards on loan originations. Together with our Bank Partners, we actively monitor economic conditions and adjust underwriting standards as appropriate.

In the event that economic conditions soften due to inflation, slower employment growth, geopolitical developments, or other macroeconomic factors, we believe there are several countervailing factors that may help to mitigate potential impacts. Firstly, we continue to observe tightening across the credit supply chain, which is driving increased demand from consumers with higher credit scores and incomes toward products offered through the Propel platform. Industry data and market observations indicate that lenders have become more selective, with underwriting standards remaining disciplined and origination volumes in certain segments moderating, particularly for non-prime borrowers. Consistent with this, the most recent Federal Reserve's Senior Loan Officer Opinion Survey indicates that banks have maintained a cautious underwriting posture, citing uncertainty in the economic outlook and potential for credit deterioration. In addition, based on our internal data, we continue to observe strong demand across our platform, including increased application volumes and engagement across our marketing channels. We believe this reflects a continued shift in borrower behavior, as certain consumers seek alternative sources of credit in response to more selective lending practices by traditional financial institutions. Secondly, data shows that our and our Bank Partners' target customers historically have demonstrated more resilience than prime borrowers and have performed better through recent periods of economic uncertainty. They are experienced at consistently living within and managing tighter budgets, are able to quickly adjust their finances as needed, and are able to fill lost employment income faster, on balance. Thirdly, employment remains positive across several essential service sectors that employ many of our customers, supporting ongoing income generation despite broader macroeconomic uncertainty.

During Q4 2025, the Company and its Bank Partners maintained a measured approach to growth for much of the quarter, reflecting a disciplined response to earlier credit trends and the broader macroeconomic environment. Underwriting on new customer originations remained measured, with originations skewed toward higher credit quality customers and a greater proportion of volume coming from returning and existing customers. As credit performance stabilized and improved later in the quarter, the Company and its Bank Partners selectively increased originations toward the back half of Q4, particularly in December, in response to strong consumer demand. This resulted in record Total Originations Funded¹ and record Ending Combined Loan and Advance Balances¹ for the period. From a macroeconomic and seasonal perspective, we observed a typical Q1 period. While Q1 is typically characterized by lower originations relative to Q4 due to seasonal demand patterns (see "**Seasonality**" above), the Company experienced robust demand across its markets, supported by continued expansion in marketing and distribution channels and favorable competitive dynamics. In addition, we observed a strong tax season in the US with higher refund levels year-over-year supporting healthy customer repayment behavior and credit performance during the quarter. Notwithstanding the strong repayment trends, the Company achieved record Total Originations Funded¹ for a Q1 period, reflecting both sustained demand and disciplined execution. We and our Bank Partners maintained a balanced approach to portfolio growth, continuing to emphasize returning and existing customers while also originating a meaningful volume of new customers at attractive credit quality levels. Originations from new customers and from returning and existing customers were both records for a Q1 period. The New Customer % of Total Originations Funded¹ was approximately 45% in Q1 2026, compared to 43% in Q1 2025, reflecting our

confidence in credit performance and the strength of our underwriting framework. Overall, the Company continued to observe broad-based strength across all three operating markets during the quarter, with strong demand and credit performance resulting in growth and record Ending Combined Loan and Advance Balances¹. While we and our Bank Partners continue to actively monitor the macroeconomic environment and maintain a prudent underwriting posture, we remain encouraged by credit trends within our business that are in line with expectations and the continued strength of demand as we progress through 2026.

With respect to Annualized Revenue Yield¹, the yield decreased to 112% in Q1 2026, compared to 115% in Q1 2025. The year-over-year decrease primarily reflects the progressive tightening implemented in the preceding quarters leading into Q1 2026. As discussed in prior MD&As, the Company tightened underwriting beginning in Q3 2025, and focused originations more on higher quality, lower yielding customers as well as on returning and existing customers. These actions contributed to a lower Annualized Revenue Yield¹ in Q1 2026 relative to Q1 2025, which did not reflect similar underwriting dynamics in its preceding quarters. Although Q1 2026 included significant growth from higher-yielding programs, including the MoneyKey Bank Service Program and QuidMarket, as well as revenue from the LaaS program, the overall yield was moderated by the factors referenced above. On a sequential basis, Annualized Revenue Yield¹ increased from 109% in Q4 2025 to 112% in Q1 2026. This reflects the significant origination growth and timing-related yield pressure experienced in Q4 2025, where a disproportionate level of originations and balance growth occurred late in the quarter, particularly in December. Annualized Revenue Yield¹ reflects the composition of the Company's portfolio and deliberate product and pricing decisions. As the portfolio continues to evolve across products, geographies, customer cohorts and Bank Partner programs, revenue yield may fluctuate from period to period. While factors such as growth in returning and existing customers, customer graduation to lower cost credit products and the aging of the portfolio may place modest downward pressure on yield, these are expected to be offset, in part, by the growing contribution of higher-yielding programs. In particular, the ongoing growth of the MoneyKey Bank Service Program, increasing contribution from QuidMarket, and continued expansion of the Company's LaaS program, together with strong new customer originations, are expected to support and potentially increase overall revenue yield over time.

US Regulatory Environment Update

In the US, Propel must comply with various federal consumer protection regimes, both pursuant to the financial products and services we provide directly and as a service provider to our Bank Partners. Our main federal regulator is the Consumer Financial Protection Bureau ("**CFPB**"), which oversees compliance with and enforces federal consumer financial protection laws. Since the beginning of 2025, the US administration has implemented several changes at the CFPB, including a reduction in workforce, updated supervisory and enforcement priorities, rescinding guidance documents and revisiting certain rules that the bureau has previously released. Additionally, the budget reconciliation act signed by the US President in 2025 has sharply reduced the funds available to the CFPB. Propel remains committed to consumer protection and continues to be a compliance-first organization which continues to adhere to all applicable rules and regulations. The Company is closely monitoring all federal and state regulatory developments, including changes to any applicable laws. Furthermore, any recently passed rules, such as the Payday, Vehicle Title, and Certain High-Cost Installment Loans Rule that was implemented in March 2025, and our adherence thereof is reflected in the Company's fiscal year 2026 Operating and Financial Targets that were disclosed March 2, 2026.

(1) See "Non-IFRS Financial Measures and Industry Metrics".

Financial and operational highlights for Q1 2026

Comparable metrics relative to Q1 2025

- **Revenue:** \$166.1 million in Q1 2026, representing record quarterly performance, compared to \$138.9 million in Q1 2025
- **Adjusted EBITDA¹:** \$42.0 million in Q1 2026, representing record quarterly performance, compared to \$41.2 million in Q1 2025
- **Net income:** \$20.7 million in Q1 2026 compared to \$23.5 million in Q1 2025
- **Adjusted Net Income¹:** \$23.0 million in Q1 2026 compared to \$23.4 million in Q1 2025
- **Diluted EPS:** \$0.49 (C\$0.67) in Q1 2026 compared to \$0.56 (C\$0.80) in Q1 2025
- **Adjusted Diluted EPS¹:** \$0.54 (C\$0.74) in Q1 2026 compared to \$0.55 (C\$0.80) in Q1 2025
- **Return on equity²:** 31% in Q1 2026 on an annualized basis compared to 42% in Q1 2025
- **Adjusted Return on Equity¹:** 34% in Q1 2026 on an annualized basis compared to 42% in Q1 2025
- **Loans and Advances Receivable:** \$466.4 million in Q1 2026, a record ending balance, compared to \$380.1 million in Q1 2025
- **Ending Combined Loan and Advance Balances¹:** \$592.7 million in Q1 2026, a record ending balance, compared to \$483.2 million in Q1 2025
- **Dividend:** paid a Q1 2026 dividend of C\$0.225 per common share on March 4, 2026, representing a 7% increase to our Q4 2025 dividend

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

(2) See “Supplementary Financial Measures”.

Key Components of Results of Operations

The measures below are used by management in assessing our business. We refer to certain measures used by management, some of which are not recognized under IFRS. See “Non-IFRS Financial Measures and Industry Metrics” in this MD&A.

Loans and advances receivable

Loans and advances receivable include the following: (i) all MoneyKey direct lending products including Installment Loans and Lines of Credit; (ii) participation interest held in Line of Credit products originated by our Bank Partners pursuant to the CreditFresh Bank Program; (iii) Fora direct lending Line of Credit product; (iv) QuidMarket direct lending Installment Loans; (v) Installment Loans that have become delinquent and have been purchased pursuant to the guarantee obligation under the MoneyKey credit service organization (“CSO”) program; (vi) Line of Credit advances that have defaulted and are purchased from a non-bank financial institution (“NBFI”) pursuant to the MoneyKey Bank Service Program; (vii) fees and interest that have been earned in accordance with our revenue recognition policy (See December 31, 2025 consolidated financial statements accounting policy “Material accounting policies” in Note 3); (viii) acquisition transaction costs; and (ix) allowances for credit losses that are computed by applying the Expected Credit Loss (“ECL”) methodology (see “**Material Accounting Policies and Estimates — Loans and advances receivable**” in this MD&A). It should be further noted that the Company’s LaaS program does not contribute to its loans and advances receivable balance as these loans are held by unaffiliated third party financial institutions through forward flow arrangements.

Revenue

For the MoneyKey direct lending, Fora, QuidMarket, and CreditFresh Bank Program products, our revenues consist of interest and/or fees that are earned from Installment Loans and Lines of Credit originated by Propel and/or facilitated through Propel’s lending platform. We also earn CSO fee revenue in conjunction with the MoneyKey CSO program in Texas. Under the MoneyKey Bank Service Program, we earn revenues consisting of service fees for marketing, analytics, and loan servicing provided to a NBFI who in turn has a partnership with a Utah based FDIC insured state-chartered bank. For the LaaS program, revenue includes fee income for customer acquisition services, loan management software, licensing of proprietary AI-powered risk and response scores and loan servicing capabilities earned by Propel through the partnership (see “**Business Overview**” above for further details). All revenues are recognized as they are earned, to the extent that it is probable that the economic benefits will flow to the Company. See December 31, 2025 consolidated financial statements accounting policy for revenue recognition in “Material accounting policies” in Note 3.

Provision for loan losses and other liabilities

Our provision for loan losses and other liabilities is composed of the following:

Gross Charge-Offs: Loans and advances receivable are charged-off when they are in non-performing (Stage 3) status for greater than 30 days, or generally 120 days in arrears. The charged-off balance is recognized as a component of provision for loan losses and other liabilities under the consolidated statement of operations.

Recoveries on charged-off loans and advances: All amounts collected on charged-off account balances are recorded as recoveries. Also included within recoveries are proceeds from the sale of charged-off debt.

Provision for movements in our allowance for credit losses: The allowance for credit losses is calculated by applying an ECL methodology in accordance with IFRS 9 (see “**Material Accounting Policies and Estimates — Loans and advances receivable**” in this MD&A) against our receivables. Factors used in the calculation of the allowance include the probability of default, loss given default, and exposure at default. These factors are based on historical performance, quantitative and qualitative adjustments for other relevant risk factors, as well as forward-looking indicators, which include the impact of macroeconomic forces.

Provisions for CSO Guarantee Liability and Bank Service Program liability: For our MoneyKey CSO product, and as part of being a CSO, we are required to guarantee the loans made and owned by an unaffiliated third-party lender with whom we partner. The provision for financial guarantee represents the movement in the CSO guarantee liability that is estimated by management. Such estimate is made by applying expected credit loss estimates on the loans owned by the third-party lender.

Under the MoneyKey Bank Service Program, the NBFI that holds participation in the Line of Credit advances, originated by their Bank Partner, has the right to sell accounts that default to MoneyKey. The Bank Service Program liability represents management's estimate of expected losses on accounts that we project to purchase. The movement in this liability is included as a component of provision for loan losses and other liabilities.

Other Lending Program Costs: Other costs such as consumer discounts, refunds, and other adjustments relating to the credit products are included under other lending program costs.

Acquisition and data expense

Acquisition expenses include costs incurred to attract consumers through our established marketing channels. Such channels include, but are not limited to: lead affiliate partners, online marketplace partners, search engine optimization and direct mail initiatives.

Data expenses include costs incurred for data and tools that are required as key inputs in the Company's proprietary underwriting machine learning algorithms and process. Our AI and machine learning models, which are approved by our Bank Partners, incorporate and use third party data in addition to proprietary data as an input for determining the creditworthiness of a potential customer and what they may qualify for. These costs include amounts paid to credit bureaus and alternative data providers. Together, acquisition and data expenses form the basis of our Cost Per Funded Origination¹ metric, which helps management assess the efficiency of our marketing and underwriting strategies. We capitalize acquisition transaction costs that are incremental and directly attributable to the origination of a Loan or Line of Credit advance to loans and advances receivable as per the guidance in IFRS 9. For customer acquisition data costs, we capitalize these expenditures to intangible assets as per the guidance in IAS 38 to the extent that the asset will generate probable future economic benefits. We recognize the acquisition transaction costs over the estimated term of the related credit products and recognize the customer acquisition data costs over the estimated useful life of the data. We amortize both of these costs to acquisition and data expense, and expense all other acquisition and data costs as incurred on the consolidated statement of operations. See December 31, 2025 consolidated financial statements accounting policy "Material accounting policies" in Note 3.

Effective April 1, 2025, the Company reclassified program servicing costs associated with the LaaS program from "Acquisition and data" to "Processing, technology and program servicing" to better reflect evolving business changes (see "**Processing, technology and program servicing**" below for further information). Comparative periods have been restated to conform to current period presentation. This change does not affect total operating income, income before income tax, net income, or the statement of cash flows.

Salaries, wages and benefits

Salaries, wages and benefits include payroll and other personnel-related expenses. This includes salaries, wages, bonuses, stock-based compensation expense, and benefits; all of which are recognized in the period that they are incurred.

A portion of salaries, wages and benefits relating to the development of our technology and proprietary lending platform is capitalized as intangible assets in accordance with IAS 38 and recognized over the estimated life of those assets. See "**Material Accounting Policies and Estimates – Capitalization of intangible assets**" in this MD&A.

General and administrative expense

General and administrative expenses include occupancy (not including rent) and office expenses, legal, accounting and professional fees, telecommunications expenses, travel, and general office expenses. All expenses are recognized in the period incurred.

Processing, technology and program servicing

Processing expenses include all costs associated with payment processing for credit products originated through our technology platform. This includes automated clearing house processing fees, electronic funds transfer fees, card and other payment form processing fees, general banking expenses, and fees paid to our BankPartners.

Technology expenses include web hosting expenses, as well as any expenses relating to software and computer hardware that are expensed as incurred.

Program servicing costs represent the ongoing expenses incurred under our loan servicing programs. These costs include activities related to loan servicing, processing and reporting. Specifically for the LaaS program, its servicing costs also encompass expenses related to the acquisition of consumers, consumer data, and payment processing. LaaS servicing costs are expensed as incurred which is in line with the recognition of LaaS fees revenue for customer acquisition services. As noted above, effective April 1, 2025, the Company reclassified program servicing costs associated with the LaaS program from “Acquisition and data” to “Processing, technology and program servicing” to better reflect evolving business changes. Comparative periods have been restated to conform to current period presentation. This change does not affect total operating income, income before income tax, net income, or the statement of cash flows.

Interest and fees on credit facilities, and lease liabilities

See “**Liquidity and Capital Resources**” in this MD&A for a full breakdown and discussion around our credit facilities.

Amortization of internally developed software, customer relationships, brand, right-of-use assets, and depreciation of property and equipment

Amortization of right-of-use assets relates to our lease obligations in accordance with IFRS 16. In accordance with IAS 38, we capitalize allowable software development costs and amortize those costs using a straight-line method over the estimated useful life of the related intangible assets. Costs associated with software development research and post-deployment are expensed as incurred. Intangible assets acquired separately are measured on initial recognition at cost and amortized using a straight-line method over the estimated useful life of the related intangible asset. The costs of intangible assets acquired in a business combination are their estimated fair values at the date of acquisition.

This expense does not include customer acquisition data costs that are capitalized to intangible assets in accordance with IAS 38 (see “**Acquisition and data expense**” above). We amortize these costs over their estimated useful life to acquisition and data expense on the consolidated statement of operations.

Supplemental Financial Measures

Below are additional financial measures that are used by management as well as our shareholders, prospective investors, and analysts in evaluating the Company’s operating performance and financial condition. We refer to certain measures used by management, some of which are not recognized under IFRS. See “**Non-IFRS Financial Measures and Industry Metrics**” in this MD&A.

Return on equity

Return on equity equals net income divided by the average shareholders’ equity for the given period and is presented on an annualized basis. The average shareholders’ equity is derived by using the average of each average quarterly shareholders’ equity balance for a given period. We believe that return on equity is an important measure used by our shareholders, prospective investors, and analysts in evaluating the Company’s ability to utilize shareholders’ capital in the business.

Debt-to-equity

Debt-to-equity equals total indebtedness, which represents the total amount drawn on its credit facilities, divided by the ending shareholder’s equity for the given period. We believe that debt-to-equity is an important measure used by our shareholders, prospective investors, analysts and lenders in evaluating the Company’s financial position.

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

Non-IFRS Financial Measures and Industry Metrics

Non-IFRS Financial Measures

Ending Combined Loan and Advance Balances

Ending Combined Loan and Advance Balances measures the ending balances of all credit products originated by Propel and/or facilitated through the Propel platform as at the end of a relevant period. Such balances include (i) MoneyKey's direct lending products; (ii) participation interest held in Line of Credit receivables originated by CreditFresh Bank Program partners; (iii) Fora direct lending Line of Credit product; (iv) QuidMarket direct lending Installment Loan product; (v) Installment Loans originated and owned by third-party lenders pursuant to the MoneyKey CSO product; and (vi) participation interest held in receivables purchased by an unaffiliated NBFi pursuant to the MoneyKey Bank Service Program. It should be further noted that the Company's LaaS program does not contribute to its Ending Combined Loan and Advance Balances as these loans are held by unaffiliated third party financial institutions through forward flow arrangements. As some credit products facilitated over the Propel platform are neither originated nor owned by our brands and thus not recognized as loans and advances receivable under IFRS, we believe that this measure provides investors with important information to evaluate the magnitude of potential revenue performance.

Average Combined Loan and Advance Balances

Average Combined Loan and Advance Balances measures the average outstanding balances of all credit products originated by Propel and/or facilitated through the Propel platform over the relevant period. Such average balances include (i) MoneyKey's direct lending products; (ii) participation interest held in Line of Credit receivables originated by CreditFresh Bank Program partners; (iii) Fora direct lending Line of Credit product; (iv) QuidMarket direct lending Installment Loan product; (v) Installment Loans originated and owned by third-party lenders pursuant to the MoneyKey CSO product; and (vi) participation interest held in receivables purchased by an unaffiliated NBFi pursuant to the MoneyKey Bank Service Program. As some credit products facilitated over the Propel platform are neither originated nor owned by our brands and thus not recognized as loans and advances receivable under IFRS, we believe that this measure provides investors with important information to evaluate the magnitude of potential revenue performance. Average Combined Loan and Advance Balances is calculated by using the average of the beginning and ending balances for a given period.

EBITDA

EBITDA is a supplemental measure used by management and other users of our financial statements including shareholders and lenders, to assess the financial performance of our business without regard to financing methods or capital structure. For the applicable period, EBITDA equals net income/loss plus (i) interest and financing costs, plus (ii) amortization on intangible assets, right-of-use assets, and depreciation of property and equipment, plus (iii) income taxes, in each case to the extent deducted from net income in such period determined on a consolidated basis in accordance with IFRS.

EBITDA Margin

EBITDA Margin equals EBITDA divided by revenue for the given period.

Adjusted EBITDA

Adjusted EBITDA is a supplemental measure used by management and other users of our financial statements that removes the effect of the non-cash forward-looking credit loss provisions that are recorded on accounts that are otherwise in good standing with no past-due amounts owed. Under IFRS 9 we are required to apply an ECL model where twelve months of estimated losses are booked on loans and advances as soon as they are originated while their associated income is recognized over their lifetimes as well as on accounts that are in good standing (current or Stage 1 accounts — see “**Material Accounting Policies and Estimates — Loans and advances receivable**” in this MD&A). These provisions are included in our provision for loan losses and other liabilities and management believes that adjusting for them provides investors a more accurate picture of the portfolio's credit performance and the Company's overall financial results for a given period.

Furthermore, we remove the effect from, as applicable, certain expenses, costs, charges or benefits incurred in a given period which in management's view are not indicative of continuing operations, including financing transaction costs as an example. Lastly, we also remove the effect of unrealized gains and losses related to changes in foreign exchange rates. The unrealized gains and losses are a result of the Company using derivative instruments, such as currency forwards, to hedge certain currency exposure. We do not believe that the unrealized change in value of such derivative instruments should impact current period earnings when analyzing the Company's true operating performance until the gain or loss is realized at maturity.

Adjusted EBITDA equals EBITDA plus (i) non-recurring costs (i.e. financing transaction costs); minus or plus (ii) unrealized gains (minus) and losses (plus) related to changes in foreign exchange rates; plus (iii) provision for loan losses on good standing current principal (Stage 1 — Performing) balances (see “**Material Accounting Policies and Estimates — Loans and advances receivable**” in this MD&A); plus (iv) Provision for CSO Guarantee Liabilities and Bank Service Program liabilities.

Adjusted EBITDA Margin

Adjusted EBITDA Margin equals Adjusted EBITDA divided by revenue for the given period.

Adjusted Net Income

Adjusted Net Income is a supplemental measure used by management and other users of our financial statements that removes the effect of the non-cash forward-looking credit loss provisions that are recorded on accounts that are otherwise in good standing with no past-due amounts owed on an after-tax basis. Under IFRS 9 we are required to apply an ECL model where twelve months of estimated losses are booked on loans and advances as soon as they are originated while their associated income is recognized over their lifetimes as well as on accounts that are in good standing (current or Stage 1 accounts — see “**Material Accounting Policies and Estimates — Loans and advances receivable**” in this MD&A). These provisions are included in our provision for loan losses and other liabilities and management believes that adjusting for them provides investors a more accurate picture of the portfolio's credit performance and the Company's overall financial results for a given period.

Furthermore, we remove the effect from, as applicable, certain expenses, costs, charges or benefits incurred in a given period on an after-tax basis, which in management's view are not indicative of continuing operations, including financing transaction costs as an example. Lastly, we also remove the effect of i) the amortization of intangible assets acquired in connection with the Acquisition of QuidMarket; and ii) unrealized gains and losses related to changes in foreign exchange rates (see “**Non-IFRS Financial Measures - Adjusted EBITDA**” above). The intangible assets acquired in connection with the Acquisition of QuidMarket include software, customer relationships and brand, each of which have finite useful lives and are amortized over a certain period of time (see the Company's December 31, 2025 consolidated financial statements for further information on the intangible assets acquired through the QuidMarket transaction and the associated amortization period). The Company believes the amortization related to the assets acquired through the QuidMarket transaction are outside of normal business activities and are not reflective of the Company's true operating performance.

Adjusted Net Income equals net income plus the after-tax impact of (i) non-recurring costs (i.e. financing transaction costs); plus (ii) the amortization of intangible assets acquired in connection with the Acquisition of QuidMarket; minus or plus (iii) unrealized gains (minus) and losses (plus) related to changes in foreign exchange rates; plus (iv) provision for loan losses on good standing current principal (Stage 1 — Performing) balances (see “**Material Accounting Policies and Estimates — Loans and advances receivable**” in this MD&A); plus (v) Provision for CSO Guarantee Liabilities and Bank Service Program liabilities.

Adjusted Net Income Margin

Adjusted Net Income Margin equals Adjusted Net Income divided by revenue for the given period.

Adjusted Earnings per Share

Adjusted Earnings per Share is a supplemental measure used by management and other users of our financial statements that removes the effect of the non-cash forward-looking credit loss provisions that are recorded on accounts that are otherwise in good standing with no past-due amounts owed, and certain expenses or benefits incurred which in management's view are not indicative of continuing operations and not reflective of underlying business performance on an after-tax basis (see definition of "**Adjusted Net Income**" above). Adjusted Earnings per Share equals Adjusted Net Income divided by the weighted average number of shares outstanding for the given period.

Adjusted Return on Equity

Adjusted Return on Equity is a non-IFRS measure used by management and other users of our financial statements that removes the effect of the non-cash forward-looking credit loss provisions that are recorded on accounts that are otherwise in good standing with no past-due amounts owed, and certain expenses or benefits incurred which in management's view are not indicative of continuing operations and not reflective of underlying business performance on an after-tax basis (see definition of "**Adjusted Net Income**" above). Adjusted Return on Equity equals Adjusted Net Income divided by the average shareholders' equity for the given period and is presented on an annualized basis. The average shareholders' equity is derived by using the average of each average quarterly shareholders' equity balance for a given period. We believe that Adjusted Return on Equity is an important measure used by our shareholders, prospective investors, and analysts in evaluating the Company's ability to utilize shareholders' capital in the business.

Net Charge-Offs

Net Charge-Offs represent principal balances of credit products originated or facilitated on our platform that are charged off, net of any recoveries. Accounts are charged-off once they are in default (non-performing) status for greater than 30 days. Furthermore, an account is generally considered in default after a period of delinquency (having contractual payments in arrears) in excess of 90 days. We believe that the Net Charge-Offs methodology provides important information regarding credit quality and performance over a specified period.

Net Charge-Offs as a Percentage of Average Combined Loan and Advance Balances

Net Charge-Offs as a Percentage of Average Combined Loan and Advance Balances represents the amount of Net Charge-Offs we experience in relation to the average outstanding balances during the period and is presented on a quarterly basis. We believe that Net Charge-Offs as a percentage of Average Combined Loan and Advance Balances is an important measure used by our shareholders, prospective investors, and analysts in evaluating the Company's credit quality and performance over a specified period.

Industry Metrics

Annualized Revenue Yield

Annualized Revenue Yield is calculated by dividing the Revenue generated over a specific period by the Average Combined Loan and Advance Balances outstanding over the same period and multiplying such quotient by an amount necessary to annualize the yield. We believe that, in addition to providing a view on the portfolio's revenue generation, this metric also provides investors a meaningful representation of the Company's mix of products that make up the loan and advance portfolio.

Cost Per Funded Origination

Cost Per Funded Origination represents total acquisition and data expense incurred for each dollar funded through Installment Loans and Lines of Credit to new and repeat customers and to existing Line of Credit customers via redraws. This metric is the amount of direct costs incurred during a period divided by the total dollars funded during that same period. We believe that this metric provides investors a view of (i) how much we spend per dollar funded; and (ii) trends on how much it costs to grow the loan and advance portfolio. We would note that starting in Q2 2025, the Company's LaaS program offering was excluded from the acquisition and data expense and the total dollars funded used for the calculation of Cost Per Funded Origination (see "**Acquisition and Data expense**" above).

Cost Per New Customer Funded Origination

Cost Per New Customer Funded Origination represents total acquisition and data expense incurred for each dollar funded through Installment Loans and Lines of Credit to new customers only. This metric is the amount of direct costs incurred during a period divided by the total dollars funded by new customers during that same period. As noted later in the MD&A under “**Acquisition and Data Expense**”, we incur the vast majority of acquisition and data expense on new customer originations. We believe that this metric provides investors a view of (i) how much we spend per new dollar funded; and similar to Cost Per Funded Origination, (ii) trends on how much it costs to grow the loan and advance portfolio. Similar to the Cost Per Funded Origination discussed above, starting in Q2 2025, the Company’s LaaS program offering was excluded from the acquisition and data expense and the total dollars funded used for the calculation of Cost Per New Customer Funded Origination (see “**Acquisition and Data expense**” above).

Total Originations Funded

Total Originations Funded represents the dollar amounts of all credit products originated by Propel and/or facilitated through the Propel platform across all of Propel’s products and programs, not all of which are originated or owned by Propel and thus not treated as loans and advances receivable under IFRS. The funded amount includes new and returning customers for Installment Loans and Lines of Credit as well as redraws on Lines of Credit. Total Originations Funded may be useful to an investor because it helps provide an understanding of total Propel platform volumes and the growth and trajectory of our revenues. We would note that the Company’s LaaS program offering is excluded from the Total Originations Funded.

New Customer % of Total Originations Funded

New Customer % of Total Originations Funded represents the percentage of all Total Originations Funded (see above for definition) originated to those customers that are new to the Propel platform. We believe this metric may be useful to an investor because it helps provide an understanding of what proportion of originations are attributable to new customers versus existing customers in the portfolio. As noted above, the Company’s LaaS program offering is excluded from the Total Originations Funded.

Selected Financial Information

Results of Operations for Consolidated statements of operations

	Three-months ended March 31,	
	2026	2025
Revenue	166,072,544	138,937,567
Provision for loan losses and other liabilities	74,765,483	58,678,626
Operating expenses		
Acquisition and data ⁽¹⁾	24,266,127	16,125,923
Salaries, wages and benefits	14,158,667	11,778,633
General and administrative	3,823,201	3,209,164
Processing, technology and program servicing	9,502,335	7,211,613
Total operating expenses	51,750,330	38,325,333
Operating income	39,556,731	41,933,608
Other expenses (income)		
Interest and fees on credit facilities	8,748,603	8,648,654
Interest expense on lease liabilities	256,052	65,661
Depreciation and amortization	2,581,687	1,985,249
Foreign exchange loss (gain)	(129,190)	524,408
Unrealized loss (gain) on derivative financial Instruments	216,914	(486,398)
Total other expenses	11,674,066	10,737,574
Income before income tax	27,882,665	31,196,034
Income tax expense (recovery)		
Current	8,257,769	7,490,654
Deferred	(1,088,991)	204,849
Net income for the period	20,713,887	23,500,531
Earnings per share (\$USD):		
Basic	0.53	0.60
Diluted	0.49	0.56
Earnings per share (\$CAD):		
Basic	0.72	0.87
Diluted	0.67	0.80
Return on equity ⁽²⁾	31%	42%
Dividends:		
Dividends	6,488,211	4,442,098
Dividend per share	0.165	0.114

(1) Comparative figures have been updated to conform with current presentation.

(2) See "Supplementary Financial Measures".

Quarter over quarter results for Consolidated statements of operations

	2026	2025				2024		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenue	166,072,544	155,849,670	152,067,808	142,952,714	138,937,567	129,307,037	117,169,442	106,750,700
Provision for loan losses and other liabilities	74,765,483	87,998,912	78,996,521	71,188,088	58,678,626	65,582,578	61,283,816	53,267,856
<i>Provision for loan losses and other liabilities as a % of revenue</i>	45%	56%	52%	50%	42%	51%	52%	50%
Operating expenses								
Acquisition and data ⁽¹⁾	24,266,127	23,248,294	18,301,712	18,597,770	16,125,923	15,749,887	12,980,562	12,179,722
Salaries, wages and benefits	14,158,667	12,845,663	11,736,681	11,948,950	11,778,633	11,501,710	9,453,082	9,103,189
General and administrative	3,823,201	3,647,953	3,233,180	3,623,866	3,209,164	3,961,838	4,615,304	2,829,590
Processing, technology and program servicing	9,502,335	8,880,196	8,191,663	8,289,373	7,211,613	6,343,739	4,792,013	4,918,836
Total operating expenses	51,750,330	48,622,106	41,463,236	42,459,959	38,325,333	37,557,174	31,840,961	29,031,337
Operating income	39,556,731	19,228,652	31,608,051	29,304,667	41,933,608	26,167,285	24,044,665	24,451,507
Other expenses (income)								
Interest and fees on credit facilities	8,748,603	8,639,271	8,600,196	8,153,863	8,648,654	8,514,528	8,401,947	7,563,988
Interest expense on lease liabilities	256,052	230,773	223,375	173,812	65,661	65,828	60,980	66,153
Depreciation and amortization	2,581,687	2,470,896	2,361,671	2,191,431	1,985,249	1,732,843	1,307,584	1,250,019
Foreign exchange loss (gain)	(129,190)	269,150	(21,299)	(222,206)	524,408	275,067	(45,238)	153,514
Unrealized loss (gain) on derivative financial instruments	216,914	(401,157)	459,925	(600,128)	(486,398)	896,192	(112,925)	84,031
Total other expenses	11,674,066	11,208,933	11,623,868	9,696,772	10,737,574	11,484,458	9,612,348	9,117,705
Income before transaction costs and income tax	27,882,665	8,019,719	19,984,183	19,607,895	31,196,034	14,682,827	14,432,317	15,333,802
Income tax expense (recovery)								
Current	8,257,769	555,750	6,665,455	6,549,421	7,490,654	5,206,917	6,391,842	7,508,225
Deferred	(1,088,991)	1,526,990	(1,688,082)	(2,017,505)	204,849	(2,133,268)	(2,480,782)	(3,298,002)
Net income for the period	20,713,887	5,936,979	15,006,810	15,075,979	23,500,531	11,609,178	10,521,257	11,123,579
Net income margin	12%	4%	10%	11%	17%	9%	9%	10%
Weighted average number of shares outstanding:								
Basic	39,362,753	39,357,716	39,254,377	38,919,940	38,854,698	37,326,076	34,398,790	34,358,320
Diluted	42,332,763	42,246,973	42,257,982	42,257,598	42,175,454	40,300,803	37,275,049	37,285,362
Earnings per share (\$USD):								
Basic	0.53	0.15	0.38	0.39	0.60	0.31	0.31	0.32
Diluted	0.49	0.14	0.36	0.36	0.56	0.29	0.28	0.30
Earnings per share (\$CAD):								
Basic	0.72	0.21	0.53	0.54	0.87	0.43	0.42	0.44
Diluted	0.67	0.20	0.49	0.49	0.80	0.40	0.39	0.41
Return on equity ⁽²⁾	31%	9%	24%	25%	42%	27%	34%	38%
Dividends:								
Dividends	6,488,211	5,910,007	5,568,308	5,100,068	4,442,098	4,132,444	3,552,647	3,269,355
Dividends per share	0.165	0.150	0.142	0.131	0.114	0.111	0.103	0.095

(1) Comparative figures have been updated to conform with current presentation.

(2) See "Supplementary Financial Measures".

Selected Consolidated Financial Information

	Three-months ended March 31,	
	2026	2025
(US\$ other than percentages)		
Revenue	166,072,544	138,937,567
Net income	20,713,887	23,500,531
Earnings per share (\$USD):		
Basic	0.53	0.60
Diluted	0.49	0.56
Earnings per share (\$CAD):		
Basic	0.72	0.87
Diluted	0.67	0.80
Return on equity ⁽¹⁾	31%	42%
Adjusted Net Income ⁽²⁾	22,968,762	23,362,435
Adjusted Earnings per Share (\$USD) ⁽²⁾ :		
Basic	0.58	0.60
Diluted	0.54	0.55
Adjusted Earnings per Share (\$CAD) ⁽²⁾ :		
Basic	0.80	0.86
Diluted	0.74	0.80
Adjusted Return on Equity ⁽²⁾	34%	42%

(1) See "Supplementary Financial Measures".

(2) See "Non-IFRS Financial Measures and Industry Metrics".

	As at March 31,		As at Dec 31,
	2026	2025	2025
(US\$ other than percentages)			
Loans and advances receivable	466,439,391	380,076,015	459,764,282
Total Assets	669,593,892	559,524,989	671,786,802
Total Liabilities	395,395,356	326,611,534	410,608,427
Total Non-Current Liabilities	324,983,505	275,581,078	343,435,305

(US\$ other than percentages)	Three-months ended March 31,	
	2026	2025
Non-IFRS financial measures		
Ending Combined Loan and Advance Balances ⁽¹⁾	592,746,691	483,210,887
Average Combined Loan and Advance Balances ⁽¹⁾	591,147,399	481,906,648
Net Charge-Offs ⁽¹⁾	74,535,247	56,459,531
Net Charge-Offs as % of Average CLAB ⁽¹⁾	13%	12%
EBITDA ⁽¹⁾	39,469,007	41,895,598
EBITDA Margin ⁽¹⁾	24%	30%
Adjusted EBITDA ⁽¹⁾	42,045,998	41,216,846
Adjusted EBITDA Margin ⁽¹⁾	25%	30%
Adjusted Net Income ⁽¹⁾	22,968,762	23,362,435
Adjusted Net Income Margin ⁽¹⁾	14%	17%
Adjusted Earnings per Share (\$USD) ⁽¹⁾ :		
Basic	0.58	0.60
Diluted	0.54	0.55
Adjusted Earnings per Share (\$CAD) ⁽¹⁾ :		
Basic	0.80	0.86
Diluted	0.74	0.80
Adjusted Return on Equity ⁽¹⁾	34%	42%
Industry Metrics		
Total Originations Funded ⁽¹⁾	199,349,509	153,669,425
Annualized Revenue Yield ⁽¹⁾	112%	115%
Cost Per Funded Origination ⁽¹⁾⁽²⁾	0.122	0.105
Cost Per New Customer Funded Origination ⁽¹⁾⁽²⁾	0.269	0.245

(1) See "Non-IFRS Financial Measures and Industry Metrics".

(2) Comparative figures have been updated to conform with current presentation.

Analysis of Results for the three months ended March 31, 2026, compared to March 31, 2025

The following section provides an overview of our financial performance during the three-month period ended March 31, 2026 compared to the three-month period ended March 31, 2025.

	As at March 31,		% Change	As at Dec 31,		% Change
	2026	2025		2025		
Loans and advances receivable	466,439,391	380,076,015	23%	459,764,282	1%	
Ending Combined Loan and Advance Balances ⁽¹⁾ ...	592,746,691	483,210,887	23%	589,548,106	1%	

	Three months ended March 31,		% Change
	2026	2025	
Average Combined Loan and Advance Balances ⁽¹⁾ ...	591,147,399	481,906,648	23%
Total Originations Funded ⁽¹⁾	199,349,509	153,669,425	30%

	Three Months ended							
	2026	2025				2024		
	Mar 31	Dec 31	Sept 30	Jun 30	Mar 31	Dec 31	Sept 30	Jun 30
Total Originations Funded ⁽¹⁾	199,349,509	220,896,069	205,303,622	194,394,548	153,669,425	175,542,515	150,041,053	144,075,888
Quarter over Quarter % change	(10)%	8%	6%	27%	(12)%	17%	4%	23%
New Customer % of Total Originations Funded ⁽¹⁾	45%	43%	44%	43%	43%	47%	45%	47%

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

Loans and advances receivable

Loans and advances receivable increased by 23% to a record balance of \$466.4 million as at March 31, 2026, compared to \$380.1 million as at March 31, 2025. The growth in these balances was driven predominantly by: i) the growth in Total Originations Funded¹ from both existing and new customers; ii) the expansion of variable pricing and graduation capabilities; iii) the continued growth of the Bank Programs; iv) ongoing growth through Fora in Canada; v) continued expansion of QuidMarket in the UK; vi) expansion of originations with existing and new key distribution and marketing channels; and vii) at a macro level, strong consumer demand for credit driven by several macroeconomic factors (see “**Macroeconomic Environment and Outlook**” above) including the continuing industry wide transition from brick-and-mortar to online lending, and tightening across the credit supply chain which has increased application volume and quality across our platform. It should be further noted that the Company’s LaaS program does not contribute to its loans and advances receivable balance as these loans are held by unaffiliated third party financial institutions through forward flow arrangements.

The continued growth of the Bank Programs contributed to the increase in loans and advances receivable for the three month period ended March 31, 2026. Furthermore, as outlined in prior quarters, variable pricing and graduation capabilities, developed in collaboration with our Bank Partners, contributed to the record balances achieved. Graduation capabilities facilitate the movement of consumers up the credit spectrum by providing existing customers with strong payment histories with lower cost credit and/or higher credit limits. Variable pricing enables lower cost products to be offered to qualifying new consumers with stronger credit risk profiles. Both of these capabilities allow us and our Bank Partners to fulfill critical components of our mission, namely “credit inclusion and evolution”, by ensuring consumers are receiving the right credit products tailored to their risk profile and expanding the overall addressable market of consumers able to be served by Propel’s platform (enabling wider coverage across the credit risk spectrum). Expanding on these capabilities for the three months ended March 31, 2026 further contributed to the growth relative to the comparable period in 2025.

Ultimately, the growth in loans and advances receivable is driven primarily by Total Originations Funded¹, which increased by 30% to \$199.3 million for the three months ended March 31, 2026 compared to \$153.7 million for the same period in 2025. Total Originations Funded¹ for Q1 2026 was a record for a Q1 period and reflects a combination of organic growth across the Company’s North American programs and the continued contribution from QuidMarket in the UK. As referenced above, Total Originations Funded¹ was a result of both strong returning and existing customer originations and new customer originations during the quarter. In addition, the Company experienced a strong tax season in the US, which supported higher repayment rates and lower utilization across portions of the portfolio, and contributed to typical seasonal moderation in originations relative to Q4 2025. While some uncertain macroeconomic factors remain, including elevated price levels and interest rates in some of the markets that we operate in, we and our Bank Partners were comfortable increasing new customer volume while maintaining portfolio quality. Please see “**Macroeconomic Environment and Outlook**” above for additional detail of the factors influencing the Loans and Advances receivable.

Although Total Originations Funded¹ for Q1 2026 was a record for a Q1 period, Propel and its Bank Partners maintained a disciplined and relatively tighter underwriting posture to ensure the credit risk in the portfolio continues to be at an appropriate level to continue to drive profitable growth amidst some continued macroeconomic uncertainty. Notwithstanding the strong level of originations achieved during the quarter, we believe there remained significant unmet consumer demand for credit, and that originations could have been higher had a less disciplined underwriting approach been adopted. Overall, we achieved a record loans and advances receivable balance and expect the quality and performance of the vintages originated during the period to be strong. Please see “**Macroeconomic Environment and Outlook**” above for additional detail of the factors influencing the loans and advances receivable. See sections below for commentary on the financial results generated from the growth in loans and advances receivable.

Ending and Average Combined Loan and Advance Balances¹

Ending Combined Loan and Advance Balances¹ increased by 23% to a record balance of \$592.7 million as at March 31, 2026, compared to \$483.2 million as at March 31, 2025. Average Combined Loan and Advances Balances¹ increased by 23% to \$591.1 million for the three months ended March 31, 2026, compared to \$481.9 million over the same period in 2025. The growth in our Ending Combined Loan and Advance Balances¹ is a result of the same factors that drove loans and advances receivable growth, including strong Total Originations Funded¹, continued expansion of marketing and distribution channels, and sustained demand across our platform (see above).

In addition, the MoneyKey Bank Service Program continues to experience significant growth and facilitates credit products across 16 states as at March 31, 2026. Growth in this program during the period was driven by both expansion into additional states and the continued transition of volume from the Company's legacy MoneyKey direct lending and CSO products into the Bank Service Program structure. This transition reflects the Company's broader strategy to simplify and standardize its product offerings by migrating toward Bank Partner programs, which operate under a unified underwriting, pricing and servicing framework. As previously discussed, the Company began transitioning certain states from its legacy MoneyKey programs to the Bank Service Program structure in late 2025, including the successful transition of Texas in Q4 2025. The Company expects to continue this transition over time as part of its ongoing efforts to streamline operations, improve scalability and enhance overall efficiency. Compared to legacy direct lending and CSO structures, the Bank Service Program provides a more consistent operating model across jurisdictions, enables broader product standardization and supports expansion into a larger addressable market. These structural advantages contribute to improved unit economics over time through more efficient customer acquisition, unified underwriting processes, and lower administrative and operational complexity. As a result, while balances in legacy MoneyKey programs are expected to decline over time as they are transitioned or allowed to run off, the MoneyKey Bank Service Program is expected to continue to represent an increasing proportion of the Company's overall platform and has been a key driver of growth in Ending Combined Loan and Advance Balances¹ and Average Combined Loan and Advance Balances¹. The Ending Combined Loan and Advance Balances¹ for the MoneyKey Bank Service Program grew by 56% for the three months ended March 31, 2026. As this program is an off-balance sheet arrangement, the associated balances are not included in loans and advances receivable; however, they are included in Ending Combined Loan and Advance Balances¹ and Average Combined Loan and Advance Balances¹. See "**Reconciliation of IFRS measures**" in this MD&A for a comparison of these measures and "**Off-Balance Sheet Arrangements**" for additional detail.

Revenue

Revenue increased by 20% to a record \$166.1 million for the three months ended March 31, 2026, compared to \$138.9 million in the corresponding quarter of the previous year. This increase was primarily a result of the 23% growth in Average Combined Loan and Advance Balances¹ for the three months ended March 31, 2026 as well as the growth in our LaaS service offering over the same period.

Our revenue growth and growth in Average Combined Loan and Advance Balances¹ and Ending Combined Loan and Advance Balances¹, as outlined above (see "**Loans and advances receivable**"), is primarily a result of the growth in the Bank Programs under our CreditFresh brand and the MoneyKey Bank Service Program, the continued economic resiliency and ongoing consumer demand, tightening across the credit supply chain driving consumers to Propel and its Bank Partners, the continued shift from brick and mortar to online lending, the expansion of originations through existing and newly established marketing partners, strategies, and channels and the ongoing expansion of variable pricing and graduation programs. Growth was further driven by the increase from Fora in Canada, QuidMarket in the UK and from the ongoing expansion of our LaaS program as it is excluded in the calculation of Average and Ending Combined Loan and Advance Balances¹. Please see "**Loans and advances receivable**" above for additional details on the business factors that drove growth and consequently revenue and see "**Macro Economic Environment and Outlook**" for the macroeconomic factors that impacted revenue. These factors are also expected to contribute to continued growth in future revenue over the upcoming periods.

The growth in the Bank Programs under our CreditFresh brand is reflected in the chart below. CreditFresh revenue grew by 12% to \$103.9 million for the three months ended March 31, 2026, compared to \$92.6 million in the corresponding quarter of the previous year, representing record quarterly performance. Revenue growth during the quarter was influenced by, on balance, i) a higher proportion of originations from returning and existing customers, and ii) a greater proportion of new customer originations from consumers with lower-risk credit profiles, all else equal. This approach was deliberate and consistent with our emphasis on maintaining a prudent underwriting posture and generating higher-quality originations in the current macroeconomic environment. While this mix supported portfolio stability and strong credit performance, it also contributed to a reduction in the Annualized Revenue Yield¹ during the quarter, as discussed below. Products originated by Bank Partners through the CreditFresh brand represented 63% of Propel's revenues in the three months ended March 31, 2026 compared to 67% in the corresponding quarter of the previous year. The lower share of revenue for the three months ended March 31, 2026 period was mainly a result of the relatively stronger growth across other areas of the business including, MoneyKey Bank Service Program, Fora, LaaS and QuidMarket. CreditFresh Bank Program products are offered in 22 states by our Bank Partners as at March 31, 2026.

The MoneyKey Bank Service Program was offered in 16 states as at March 31, 2026 through the originating Bank Partner. As reflected in the chart below, revenue from this program grew by 56% to \$31.8 million for the three months ended March 31, 2026, compared to \$20.4 million in the corresponding quarter of the previous year, also representing record quarterly performance. Products originated under this program represented 19% of Propel's revenues in the three months ended March 31, 2026 compared to 15% in the corresponding quarter of the previous year. Growth in the MoneyKey Bank Service Program reflects, in part, the continued migration of originations in certain states from MoneyKey direct lending and CSO products to bank-partner structures. This includes the transition of originations in Texas, the largest state under the legacy MoneyKey program, which commenced in Q4 2025 and continued to contribute to growth during Q1 2026. The Company also expects further transitions over the coming quarters. Management views this evolution as a strategic simplification of the product structure, consolidating activity within scalable bank-partner programs that operate under a more standardized underwriting, pricing and servicing framework. This transition is expected to improve operational efficiency over time through greater consistency in acquisition, underwriting and servicing processes, reduced administrative complexity and enhanced scalability across jurisdictions. As a result, while revenue from legacy MoneyKey direct lending and CSO products is expected to decline over time as these programs are transitioned or allowed to run off, the MoneyKey Bank Service Program is expected to represent an increasing proportion of the Company's platform. Compared to the Bank Programs under our CreditFresh brand, the customers served through the MoneyKey Bank Service Program typically have a higher credit risk profile and, accordingly, generate a higher revenue yield.

Overall, the growth in the Bank Programs under both the CreditFresh brand and the MoneyKey Bank Service Program reflects the Company's strategy of expanding state coverage and providing access to credit across a broader and increasingly diverse customer base through direct and indirect Bank Programs.

Revenue generated from our MoneyKey direct lending and CSO products decreased by 41% to \$5.5 million for the three months ended March 31, 2026 compared to the same quarter in the previous year. The revenue represented 3% of Propel's total revenues decreasing from 7% in the corresponding period in 2025. The decline in both revenue and revenue mix reflects the Company's ongoing transition of originations in certain states from MoneyKey direct lending and CSO structures to bank-partner programs under the MoneyKey Bank Service Program, as described above. Management views this transition as part of a broader strategic simplification of the product structure, consolidating activity within scalable bank-partner programs.

Revenue generated from the Company's Fora program increased by 34% to \$3.4 million for the three-month period ending March 31, 2026, reflecting continued growth and strong execution in the Canadian market. The Company has maintained a measured and disciplined approach to originations in Canada, taking into account the macroeconomic uncertainty and the reduction in the maximum allowable rate of interest to 35% APR (see "**Macroeconomic Environment and Outlook**" above). Notwithstanding this approach, Fora delivered strong revenue growth during the quarter, supported by disciplined underwriting, expanding partnerships, and the continued development of the Company's data and analytics capabilities. Credit performance remains strong, and the Company continues to see opportunities to build a scalable and sustainable business in the Canadian market over time.

Revenue generated from the Company's LaaS program increased by 114% to \$5.9 million for the three months ended March 31, 2026, compared to the same quarter in the previous year, representing record quarterly performance. LaaS represented 4% of Propel's total revenues for the period, increasing from 2% in the corresponding quarter of 2025, reflecting continued strong growth and increasing contribution to overall revenue diversification. As mentioned above under "**Business Overview**", following the launch of the Pathward LaaS partnership, Propel expanded its LaaS platform in 2024 through two additional LaaS partnerships under the CreditFresh brand with its existing Bank Partners. Through the LaaS program, Propel earns fee-based income from a range of services, including customer acquisition, provision of loan management software, licensing of proprietary AI-powered risk and response scores, and credit servicing capabilities. The LaaS model enables Propel to expand its geographic footprint and increase its addressable market across the United States by partnering with Bank Partners and third-party purchasers through forward flow arrangements. This structure supports the Company's ability to enter new states, launch new products and serve a broader range of customer segments, while maintaining a capital-light operating model in which loans are originated by Bank Partners and ultimately held by unaffiliated financial institutions. During Q1 2026, the Company continued to scale its LaaS program, including the official launch of its partnership with Column in March 2026. The Column partnership supports the rollout of new credit products, including the *Freshline*TM offering, and expands the Company's operational footprint across additional US states and customer segments. The Column partnership is supported by approximately \$210 million of committed forward flow capital, including \$60 million from Mesirow

Alternative Credit and \$150 million from an additional institutional investor, representing the largest capital commitment supporting any of the Company’s LaaS programs to date. Consistent with the Company’s disciplined approach to launching new business initiatives, the Company remains focused on ensuring that the LaaS program achieves all key operating and financial metrics including acquisition performance, conversion rates and default rates. To accomplish this, the Company continues to review and analyze extensive data including a number of cohorts of loan performance. With the capital now committed from existing purchasers, and the anticipated upsizing of commitments from some of these purchasers over the coming quarters, we expect continued growth in origination volume, supported by a large addressable consumer market and the strong demand observed to date. With the continued expansion of LaaS partnerships, including Column, the onboarding of additional purchasers, the upsizing of commitments from existing partners, and expansion into new states, we expect the LaaS program to be an increasingly meaningful driver of growth for the Company in 2026 and beyond.

Lastly, the QuidMarket direct lending business operates throughout the UK and revenue increased by 45% to \$14.7 million for the three month period ending March 31, 2026. QuidMarket represented 9% of Propel’s revenues in the three month period ended March 31, 2026, increasing from 7% in the corresponding quarter of the prior year. This growth was driven by strong consumer demand in the UK, disciplined underwriting, continued product expansion, and the ongoing integration of Propel’s underwriting, marketing, and technological and operational expertise. Given the size of the underserved market in the UK and continued favorable demand dynamics, we expect QuidMarket to represent an increasingly meaningful proportion of the Company’s overall business and to remain a key driver of growth in 2026 and beyond.

	Three months ended March 31,					
	2026		2025		Period to period change	
	Amount	Percentage of Revenues	Amount	Percentage of Revenues	Amount	Percentage
(US\$ other than percentages)						
MoneyKey direct lending and CSO	5,504,793	3%	9,401,798	7%	(3,897,005)	(41)%
CreditFresh Bank program	103,918,577	63%	92,641,552	67%	11,277,025	12%
MoneyKey Bank Service Program	31,823,072	19%	20,357,996	15%	11,465,076	56%
Fora direct lending	3,355,142	2%	2,498,915	2%	856,227	34%
QuidMarket direct lending	14,686,716	9%	10,113,048	7%	4,573,668	45%
Lending-as-a-Service fees	5,861,301	4%	2,738,952	2%	3,122,349	114%
Other revenue ⁽¹⁾	922,943	1%	1,185,306	1%	(262,363)	(22)%
Total Combined Revenue	166,072,544		138,937,567		27,134,977	20%

(1) Other revenue includes deposit interest income, lead resales and recoveries on the acquired QuidMarket loan book.

Our Annualized Revenue Yield¹ for the three-month period ended March 31, 2026 decreased to 112% from 115% for the same period in 2025. The year-over-year decrease primarily reflects the impact of underwriting actions taken in prior quarters leading into Q1 2026. As discussed above and in prior MD&As, the Company tightened underwriting beginning in Q3 2025, resulting in a greater proportion of originations to higher credit quality and lower-yielding customer segments, including returning and existing customers. These actions contributed to a lower Annualized Revenue Yield¹ in Q1 2026 relative to Q1 2025, which did not reflect similar underwriting dynamics in its preceding periods. On a sequential basis, Annualized Revenue Yield¹ increased from 109% in Q4 2025 to 112% in Q1 2026, reflecting the normalization of yield following timing-related pressure in Q4 2025, where a disproportionate level of originations and balance growth occurred late in the quarter. In addition, the continued aging of the portfolio and associated graduation of customers to lower cost products, together with the expansion of variable pricing capabilities with our Bank Partners and the continued growth of Fora, contributed to the moderation in overall yield. These factors were partially offset by the continued growth of higher-yielding programs including QuidMarket in the UK and the MoneyKey Bank Service Program, as well as continued contributions from the Company’s LaaS program and the contribution of new customer originations.

As described above and in previous MD&As, the Company rolled out variable pricing and graduation functionality on its platform for its Bank Partners in late 2021. This is consistent with our strategy of providing access to credit to a larger segment of underserved consumers, while facilitating a lower cost of credit to new customers, who would otherwise go elsewhere for their credit needs, as well as existing customers who demonstrate positive payment behavior over a period of time. These capabilities enable the Company to further increase origination volumes across our platform by expanding up the credit spectrum by facilitating access to lower and appropriately priced products to customers with lower credit risk attributes. The fee graduation functionality on our platform allows us and our Bank Partners to offer reduced rates to customers exhibiting strong payment performance, which enhances customer retention and supports improved credit outcomes over time. While these initiatives contribute to a moderation in Annualized Revenue Yield¹, they are expected to support improved risk-adjusted returns over time through lower expected loss rates across higher credit quality segments and stronger customer lifetime value. The timing and magnitude of these benefits may vary across periods depending on portfolio mix, origination volumes and broader macroeconomic conditions.

(US\$ other than percentages)	Three months ended March 31,		%
	2026	2025	Change
Revenue	166,072,544	138,937,567	20%
Average Combined Loan and Advance Balances ⁽¹⁾	591,147,399	481,906,648	23%
Annualized Revenue Yield ⁽¹⁾	112%	115%	(3)%

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

Provision for loan losses and other liabilities

Provision for loan losses and other liabilities increased by 27% to \$74.8 million for the three-months ended March 31, 2026, compared to \$58.7 million in the corresponding quarter of the previous year. The provision for loan losses and other liabilities as a percentage of revenue increased to 45% for the three months ended March 31, 2026 as compared to 42% for the corresponding period of the previous year.

The provision for loan losses and other liabilities as a percentage of revenue for the three months ended March 31, 2026 reflects a return to more normalized credit performance following an uncharacteristically low level in Q1 2025. Provision levels in the current quarter were consistent with the Company’s historical range for a first quarter period and aligned with management’s expectations. The increase relative to Q1 2025 primarily reflects a higher proportion of new customer originations and sustained origination volumes during the quarter, which require higher upfront expected credit loss provisioning under IFRS accounting. In addition, the Company experienced less of a seasonal decline in originations from Q4 2025 to Q1 2026 compared to the prior year, resulting in a higher level of new customer activity and associated provisioning in the current period. Notwithstanding the increase, overall credit performance remained stable and strong for a normalized Q1 period, and in line with the Company’s target margins for profitability. As discussed above under “**Macroeconomic Environment and Outlook**”, the Company experienced a strong tax season in the US, with high customer repayments contributing to strong repayment behaviour and lower utilization rates during the quarter. The Company and its Bank Partners also maintained a disciplined underwriting posture, including the measured credit actions implemented in prior periods, while remaining comfortable increasing new customer volume given the strong credit quality observed. More recent vintages are performing in line with expectations, and broad-based stability was observed across all three operating markets during the quarter. In particular, the QuidMarket portfolio continued to deliver strong credit performance, while the Fora portfolio in Canada demonstrated continued improvement as underwriting refinements have taken effect and the overall portfolio matures. Overall, provision for loan losses and other liabilities as a percentage of revenue of approximately 45% for Q1 2026 represents a strong outcome for a first quarter period and reflects the Company’s ability to balance growth and credit performance while maintaining attractive unit economics.

As outlined in prior MD&As, generally in periods of higher growth, the business experiences a higher provision for loan losses and other liabilities as a percentage of revenue, while in periods of lower growth the inverse holds true. This is due to several factors. Firstly, new and recently originated customers tend to have higher default rates relative to existing customers in the portfolio that have been consistently making payments. Therefore, in periods of higher new and recent origination growth, the overall receivables portfolio could experience higher average missed payments and delinquency rates, and consequently a higher provision as a percentage of revenue. In periods of lower growth, the portfolio is more mature, leading to lower missed payment rates, defaults, and consequently provisions as a percentage of revenue. In this context, the provision for loan losses and other liabilities as a percentage of revenue of 45% in Q1 2026 reflects a more normalized level relative to the exceptionally strong performance experienced in Q1 2025 and remains consistent with the Company's underwriting framework and long-term target economics. This was further supported by a higher proportion of new customer originations during the quarter and a more moderate seasonal decline in Total Originations Funded¹ from Q4 2025 compared to the prior year. Secondly, under IFRS we record loan loss provisions based on future expected credit losses for every loan origination without matching revenue that is earned over the life of a loan (for a further discussion of this accounting treatment see "**Material Accounting Policies and Estimates — Loans and advances receivable**" in this MD&A).

As noted previously, under IFRS we are required to build allowances for future expected credit losses across all accounts, including new originations and accounts in good standing that have no evidence of underperformance, related to loans and advances included in our Ending Combined Loan and Advance Balances¹. This excludes loans originated under the Company's LaaS program, which are excluded from Ending Combined Loan and Advance Balances¹. The movement in these allowances has a material impact on the provision for loan losses and other liabilities expense. We employ an Expected Credit Loss ("ECL") methodology and model that incorporates extensive amounts of data, estimates, and other factors such as macroeconomic variables. The overall allowances for future expected credit losses as a percentage of Loan and Advance owned by the Company (including Fees and interest receivable) remained at 24% as at March 31, 2026, consistent with both March 31, 2025 and December 31, 2025. This stability reflects the offsetting impact of several factors, including continued portfolio growth, a higher proportion of new customer originations during the quarter, and ongoing expansion across geographies and products, balanced by the continued maturation of the portfolio, a meaningful contribution from returning and existing customers, and originations at higher credit quality tiers. Generally, a loan portfolio with a higher proportion of new customers will typically require a higher allowance for future expected credit losses, while a more mature portfolio with returning and existing customers, who have demonstrated an ability and propensity to make their loan repayments reliably over a sustained period of time, will carry a lower relative allowance. Taken together, allowance levels remain consistent with management's expectations and reflect the continued stability of the portfolio as it grows, matures and diversifies. The Company continues to apply prudent macroeconomic assumptions within its ECL model. See "**Material Accounting Policies and Estimates — Loans and advances receivable**" below for the table reflecting these percentages as well as a further discussion of the accounting treatment relating to allowances for future credit losses. Allowances reflect portfolio-specific factors discussed above, including credit performance trends and portfolio aging, which support a measured and disciplined reserve position. The expected credit loss model also incorporates forward-looking macroeconomic assumptions, including interest rate and inflation expectations. These inputs are updated each reporting period and ensure that allowance levels remain appropriately calibrated to both portfolio performance and prevailing economic conditions.

Overall, despite the year-over-year increase in provision for loan losses and other liabilities as a percentage of revenue in Q1 2026, the portfolio continues to perform in line with expectations and the Company continues to grow profitably with strong unit economics and disciplined credit risk management. The increase relative to Q1 2025 reflects, in part, the exceptionally low provision level in the prior year period, as well as the higher new customer mix and continued growth in the current quarter. While we and our Bank Partners continue to actively monitor the macroeconomic environment and maintain a prudent underwriting posture, we remain encouraged by the performance of more recent vintages, the stability of repayment trends, and the continued strength of demand across the platform.

(US\$ other than percentages)	Three months ended March 31,		%
	2026	2025	Change
Provision for loan losses and other liabilities	74,765,483	58,678,626	27%
Provision for loan losses and other liabilities as a % of Revenue ⁽¹⁾	45%	42%	7%
Net Charge-Offs ⁽¹⁾	74,535,247	56,459,531	32%
Net Charge-Offs as a % of Average CLAB ⁽¹⁾	13%	12%	8%

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

Net Charge-Offs

Net Charge-Offs¹ increased by 32% to \$74.5 million for the three months ended March 31, 2026, compared to \$56.5 million over the same quarter in 2025. Net Charge-Offs¹ represent the actual credit losses on the portfolio over a specified period of time and are a key component of the provision for loan losses and other liabilities (see “**Reconciliation of Non-IFRS Measures**” in this MD&A). While provision for loan losses and other liabilities includes a forward-looking component reflecting expected future credit losses, Net Charge-Offs¹ measure realized losses and therefore largely reflect origination activity, credit conditions, and underwriting decisions from prior periods. As such, Net Charge-Offs¹ typically lag changes in underwriting posture and macroeconomic conditions. Both measures are useful to assess the credit performance of the portfolio.

Net Charge-Offs as a percentage of Average Combined Loans and Advance Balances¹ was 12.6% for the three months ended March 31, 2026, compared to 11.7% for the same quarter in 2025. The current period reflects a strong and more normalized level of charge-offs for a first quarter period, while the prior year period was exceptionally strong. The Net Charge-Offs¹ ratio in Q1 2026 remains within management’s targeted range and is consistent with the Company’s unit economics. Credit performance remained stable during the quarter, with repayment behaviour consistent across the portfolio. More recent vintages are performing in line with expectations, and underwriting actions taken in prior periods continue to support overall portfolio quality. Strong performance in the UK and Canada further supported overall portfolio stability, with the QuidMarket portfolio continuing to deliver consistently strong results and the Fora portfolio demonstrating ongoing strength as underwriting refinements and portfolio maturity takes hold. Overall, Net Charge-Offs as a percentage of Average Combined Loans and Advance Balances¹ are influenced by portfolio mix, including the relative contribution of products, customer segments and geographies. The Company continues to benefit from factors that support lower loss rates over time, including enhanced underwriting and AI capabilities, the growth of lower-risk products facilitated through the CreditFresh Bank Programs, and the continued scaling of Fora, which has historically experienced lower default rates relative to higher-yielding segments of the portfolio. At the same time, the Company continues to expand its MoneyKey Bank Service Program and other higher-yielding products, which serve consumers with relatively higher credit risk profiles. As a result, Net Charge-Offs as a percentage of Average Combined Loans and Advance Balances¹ may fluctuate from period to period depending on the mix of originations across the platform. Notwithstanding these dynamics, the Company expects to maintain Net Charge-Offs within its targeted range while continuing to deliver strong risk-adjusted returns. Despite the significant increase in origination volumes and continued growth anticipated for 2026, as well as ongoing macroeconomic uncertainty, including tariff dynamics, increased oil and gas prices, and elevated interest rates, particularly in the US, the Company expects a number of factors to mitigate potential increases in Net Charge-Offs¹. These include the continued shift in portfolio mix towards consumers with lower credit risk profiles (and consequently lower loss rates), and some of the macroeconomic and internal operating dynamics noted above and in prior MD&As including: i) consumers in our segment have historically demonstrated more resilience than prime borrowers and have generally performed better through recent periods of economic uncertainty; ii) continued refinements to underwriting and acquisition strategy that have driven increases in credit scores and income levels of

originations facilitated through our platform; iii) updates to the AI models approved by our Bank Partners that adjusted how a consumer's risk was evaluated, ultimately allowing us to facilitate more loans to consumers across the credit spectrum, while keeping defaults within targeted ranges; and iv) ongoing operational and technological enhancements that are deployed across Propel's platform.

Acquisition and data expense²

Acquisition and data expense increased by 50% to \$24.3 million for the three months ended March 31, 2026, compared to \$16.1 million for the three months ended March 31, 2025. The increase for the three months ended March 31, 2026 is due to the higher Total Originations Funded¹ over the comparable period, and an increase in the Cost Per Funded Origination¹. The drivers for the higher Cost Per Funded Origination¹ are discussed further below. Furthermore, as discussed above, acquisition and data expense excludes our LaaS offering starting in Q2 2025 (see definition of "**Acquisition and data expense**" under "**Key Components of Results of Operations**" in this MD&A). Comparative periods have been restated to conform to current period presentation.

Total Originations Funded¹ grew by 30% to \$199.3 million for the three months ended March 31, 2026, compared to \$153.7 million for the three months ended March 31, 2025. The growth during the three-months ended March 31, 2026 was driven in part by the strong growth of new customer originations for the quarter. Ultimately, the primary driver of acquisition and data expense and the Cost Per Funded Origination^{1,3} is the new customer originations proportion of Total Originations Funded¹ where the vast majority of these expenses are incurred. The New Customer % of Total Originations Funded¹ increased to 45% equaling \$90.3 million in Q1 2026, compared to 43% equaling \$65.7 million in Q1 2025 which translated to year-over-year growth of 37%. Therefore, a primary driver of the acquisition and data expense growth was the relative strength from the new customer portion of Total Originations Funded¹ described above. The higher growth in acquisition and data expenses was also driven by the increase in the Cost Per Funded Origination¹. The Cost Per Funded Origination^{1,3} increased to \$0.122 in Q1 2026 as compared to \$0.105 in Q1 2025. When evaluating the acquisition and data expense on a per new customer dollar originated basis instead of Total Originations Funded¹, acquisition and data expense per new customer dollar originated increased to \$0.269 for Q1 2026 as compared to \$0.245 for Q1 2025.

There are a number of factors that drive the acquisition and data expense and consequently the Company's Cost Per New Customer Funded Origination^{1,3} that make up the overall acquisition strategy.

Firstly, as described in prior quarter MD&As, the Company has gradually increased its organic marketing spend since early 2023. During Q1 2026, management continued to increase organic marketing spend to capitalize on strong demand conditions and support continued growth across its marketing channels. Organic marketing initiatives include pay-per-click and SEM/SEO marketing, direct mail and other direct branded spend that require upfront investment and time to translate into increased origination volume. It has been the Company's experience that customers originated through organic marketing channels perform better from a credit perspective as compared to those customers originated through other third-party marketing channels. As a result, while organic marketing initiatives result in higher near-term acquisition costs, they are expected to drive improved credit performance and stronger long-term customer value. In addition, continued investment in organic marketing supports increased application volume and strengthens the Company's presence across digital channels where consumers are actively seeking credit solutions. Accordingly, despite the higher organic marketing expense in the immediate term, we expect the better relative credit performance along with the longer term brand development will result in continued strong and increasing profitability, and as a result we and our Bank Partners are comfortable continuing to operate on this basis. Furthermore, organic marketing spend contributes meaningfully to building Propel's consumer facing brands over the long term. The increased organic marketing spend contributed to the higher Cost Per New Customer Funded Origination¹ over the three months ended March 31, 2026 discussed above. However, the level of expense remains within the acceptable range to achieve targeted profitability during a period of significant growth.

Secondly, the Company has continued to expand its marketing footprint through the addition of new marketing channels and the onboarding of new marketing partners. These initiatives support the Company's expanding addressable market across the US, including entry into new states, the rollout of new products, and the ability to serve a broader range of customer segments. The Company began accelerating the addition of new channels in the second half of 2025, with increased activity in Q4 2025, and continued to build on this momentum into Q1 2026. While these initiatives are expected to support long-term growth and diversification of acquisition sources, they typically result in higher upfront acquisition and data costs as new channels are tested, optimized and scaled over time. During the initial ramp period, conversion rates and efficiency metrics are generally lower as the Company calibrates targeting,

pricing and channel mix, which contributes to a higher Cost Per Funded Origination¹ in the near term. Management views these costs as a strategic investment to expand distribution capacity, improve long-term acquisition efficiency and support sustainable growth across a broader set of channels.

Thirdly, another key component of the expense on a Cost Per New Customer Funded Origination¹ and overall Cost Per Funded Origination¹ basis is the cost to underwrite and adjudicate the new customer originations. Data costs, including data and products leveraged from credit bureaus and third-party partners, remain a meaningful driver of acquisition and data expense. During Q1 2026, the Company continued to incur higher underwriting and verification costs per funded loan as part of a deliberate decision to expand application flow given the strong market demand while maintaining a tighter acceptance rate. This resulted in higher data and underwriting expenses per funded loan. While this contributed to a higher Cost Per New Customer Funded Origination¹, management views these incremental costs as a prudent investment to preserve portfolio quality and support sustainable growth as origination volumes increased during the quarter.

Lastly, QuidMarket incurs a higher acquisition and data cost compared to other products offered through Propel's platform. While average loan amounts are smaller, this is offset by a higher cost of credit (and consequently higher Annualized Revenue Yield¹), and a lower provision for loan losses and other liabilities as a percentage of revenue. As noted in the "**Provision for Loan Losses and Other Liabilities**" section above, QuidMarket has continued to exhibit strong and stable credit performance, which partially offset higher provision levels elsewhere in the portfolio and supported overall portfolio stability during the period. This profile enables the program to absorb higher acquisition and data expenses while generating strong margins and profitability. Although QuidMarket increases the Cost Per Funded Origination¹ and Cost Per New Customer Funded Origination¹, these costs are effectively offset by its lower loss rates and higher yield profile and remain fully aligned with our targets for profitable growth.

As part of our drive for continuous improvement, the Company continues to optimize and enhance our acquisition and underwriting models, which are approved by our Bank Partners, and ultimately lead to improved efficiency for the business as we are able to originate and/or facilitate and fund more dollars to new consumers while improving credit performance and consequently growing profitability.

The business has a consistent focus on improving our acquisition capabilities, reach, and spend through innovative partnerships and strategies, expansion of marketing channels, and enhancements to our proprietary acquisition model and technology. A key strategic initiative for 2026 is the continued diversification and expansion of our marketing footprint, including onboarding new strategic partners, deepening relationships with existing aggregators and marketplaces, expanding direct mail and organic channels, leveraging multiple AI tools to enhance the Company's marketing strategy, and investing in brand and performance marketing initiatives to broaden our reach across the credit spectrum. Central to this strategy is the enhanced deployment of AI-driven acquisition capabilities, supported by enriched third-party and proprietary data, to optimize channel selection, customer targeting, pricing and conversion in real time. Together, these initiatives are designed to improve marketing efficiency, increase conversion rates and support scalable, profitable growth. These efforts are expected to drive increasing conversion rates over time from applicants approved through our proprietary underwriting engine, which is approved by our Bank Partners, and support a reduction in cost per funded acquisition for new customer originations over the longer term. In the near term, however, we expect Cost Per New Customer Funded Origination¹ to remain at approximately current levels through 2026 as we continue to invest in expanding and optimizing our marketing channels, before benefiting from improved efficiency and scale over time.

Salaries, wages and benefits

Salaries, wages, and benefits expense increased by 20% to \$14.2 million for the three months ended March 31, 2026, compared to \$11.8 million over the corresponding quarter in 2025. This increase was broadly in line with the 20% growth in revenue for the three-month period ending March 31, 2026, as well as the 23% increase in Ending Combined Loan and Advance Balances¹, reflecting the overall growth of the business and continued wage inflation in the broader economy. While the Company continues to realize meaningful efficiencies across its operations, particularly within contact center functions, these gains have been offset by deliberate investment in corporate, technology and infrastructure roles to support the scaling of key strategic initiatives. These include the launch and expansion of *Freshline*TM through the Company's partnership with Column, the operationalization of Propel Bank and associated infrastructure in Puerto Rico, and the continued development of products serving customers across a broader range of the credit spectrum. As a result, salaries, wages and benefits remained constant as a percentage of revenue at 8.5% for the three months ending March 31, 2026, compared to 8.5% in the prior year period, demonstrating continued operating leverage despite ongoing investment in personnel to support growth initiatives. Certain components of these expenses, particularly contact center headcount, are variable with overall loan volume and new customer originations, while corporate and infrastructure-related costs are more fixed in nature.

Furthermore, the business continues to realize meaningful efficiencies in people-related costs across our contact center operations as a result of ongoing enhancements to operational processes, automation, and technology through ongoing investment in AI applications. Customer experience is a key pillar of Propel's mission, and we continue to focus on delivering a streamlined, low-friction experience across the full customer lifecycle, from origination and servicing through repayment by expanding self-service capabilities and increasing the use of digital (non-voice) communication channels. These initiatives include additional self-service repayment options, automated customer outreach and interaction tools, and continued automation across origination and loan funding processes. Together, these enhancements reduce reliance on human agents, improve human agent productivity, and drive lower unit costs over time while maintaining a high standard of service.

We have also continued to benefit from operating efficiencies driven by enhancements to 'LEO', the user interface to our proprietary JAG loan management system, which supports originations processing across the MoneyKey, CreditFresh and Fora programs. During 2025, we further enhanced our proprietary AI-powered underwriting software, increasing automation across the customer acquisition journey. As a result, the Company has achieved record levels of auto-decided originations in Q1 2026, reflecting continued enhancements to its AI-powered underwriting capabilities. In addition, the Company has deployed an industry-leading AI platform to enhance contact-center productivity and customer experience through real-time interaction guidance, knowledge assistance, and workflow automation. Deployment of this platform has progressed well and has expanded beyond customer acquisition and servicing into payment processing and collections. In addition, we implemented AI-powered virtual digital agents (chatbots) to support customer interactions, with these tools now handling up to approximately 65% of web-chat interactions end-to-end for the programs in which they have been deployed. These initiatives are expected to further improve scalability and operating leverage while maintaining strong customer satisfaction outcomes. Looking beyond customer-facing operations, we have initiated controlled pilot programs using generative AI ("GenAI") tools across several internal functions, including software development and testing, communications, marketing, compliance and project and program management. These initiatives are already delivering measurable productivity gains; for example, our software development team recently doubled unit test coverage within a six-month period in 2025. Additionally, we have recently deployed GenAI tools in multiple corporate and operational support departments and are seeing efficiencies and speed in content creation and collaboration. We plan to continue expanding and accelerating these deployments throughout 2026 to unlock additional efficiencies, improve insight generation and enhance collaboration and execution across both operational and corporate teams.

Collectively, these initiatives have contributed to maintaining salaries, wages and benefits as a percentage of revenue at approximately 8.5% for the three months ended March 31, 2026, despite continued investment in personnel to support growth initiatives, as noted above. At the same time, we continue to incur incremental infrastructure and personnel expenses to support the growth of our LaaS program, launched in mid-2023, and other recent business initiatives including Propel Bank which became operational in Q1 2026. We expect these programs to deliver meaningful economic benefits as they continue to scale. Furthermore, the Company's business development pipeline remains strong, with several initiatives in active development that we believe will positively impact future performance. While these initiatives have not yet been publicly announced nor contributed to current period revenue, we believe they represent significant long-term opportunities. In anticipation of these future launches, we have made deliberate investments in personnel and infrastructure to support the build-out and execution of these initiatives. These initial costs, primarily reflected in higher corporate and technology-related headcount, are essential to position the Company for sustained growth. Although these investments have impacted operating expenses in the short-term, we expect them to yield substantial economic benefits over the medium to long term. Importantly, this proactive investment approach is occurring alongside continued productivity improvements across other areas of the business. For example, as discussed above, operational efficiencies have allowed us to optimize contact center staffing levels, and the resulting savings help to offset, in part, the incremental expenses associated with scaling our corporate and technology capabilities in advance of new product and business launches. This balance underscores our disciplined approach to managing near-term costs while strategically allocating resources to drive long-term profitable growth.

General and administrative expense

General and administrative expenses (“G&A”) increased by 19% to \$3.8 million for the three months ended March 31, 2026, compared to \$3.2 million over the corresponding quarter in 2025. G&A as a percentage of revenue remained consistent at 2.3% in Q1 2026 as compared to 2.3% in the prior period. These increases supported not only the strong level of Total Originations Funded¹ and the ongoing scale-up of LaaS, but also the continued development and scaling of recently launched business development initiatives, including the Column partnership and Propel Bank (see “**Business Overview**” above). In particular, the Company incurred incremental legal, professional, tax, and structuring advisory expenses related to the formation, regulatory preparation, and ongoing operational support of these initiatives. While these initiatives have begun contributing to revenue, they remain in the early stages of scaling and are expected to meaningfully expand the Company's product offerings, geographic reach, and long-term growth potential.

The year-over-year profile of G&A reflects two dynamics: i) incremental, deliberate expenditures to support the continued scaling and optimization of recently launched initiatives, including product development, regulatory and structuring work, and systems and infrastructure enhancements; and ii) ongoing efficiency gains across the Company's core operations, as prior technology and process investments continue to drive productivity improvements. While initiative-related expenses resulted in higher overhead in absolute dollars, the Company continued to maintain operating leverage, with core G&A supporting higher revenue without a proportional increase in cost. Management views these near-term investments as foundational, positioning the Company for long-term growth and margin expansion as initiatives scale and contribute more meaningfully to revenue. Importantly, maintaining G&A as a percentage of revenue was achieved despite ongoing upfront investment required to develop and commercialize these programs and partnerships. These investments, largely concentrated in legal, tax, structuring, and other professional services, are essential to support the Company's long-term growth strategy and the expansion of its product and distribution capabilities. The ability to maintain G&A as a percentage of revenue while progressing multiple new initiatives underscores the Company's disciplined approach to cost management and scalability. In parallel, ongoing enhancements to the Company's infrastructure - including the rollout of the 'LEO' user interface (mentioned above), AI-powered contact center platform and expanded use of digital interaction channels (including web chat and SMS) and optimization of our computer telephony integration - are generating measurable operational efficiencies, further positioning the Company to capture substantial operating leverage and future growth across both existing and new business lines.

Processing, technology and program servicing

Processing, technology and program servicing costs increased by 32% to \$9.5 million for the three months ended March 31, 2026, compared to \$7.2 million for the same three-month period in 2025. The increase in processing, technology and program servicing expense for the three months ended March 31, 2026 was primarily due: i) the 30% year-over-year growth in our Total Originations Funded¹ and consequently the 23% year-over-year growth in our Ending Combined Loan and Advance Balances¹ discussed above and ii) the continued expansion of the LaaS program, as demonstrated by the 114% year-over-year increase in revenue for the three months ended March 31, 2026 (see “**Revenue**” above). As discussed above under “**Key Components of Results and Operations**”, processing, technology and program servicing expenses include servicing costs incurred as part of the LaaS program and this adjustment has also been made in prior periods. The primary servicing cost incurred for the LaaS program are services related to the acquisition of customers for the program. Total LaaS program costs included in processing, technology and program servicing expense decreased as a percentage of LaaS revenue to 71% from 85% for the three month period ended March 31, 2026. This decrease reflects continued scaling of the program and improved efficiency as volumes increase. We expect the overall margin profile of the LaaS program to continue expanding as the program scales over time. At the outset, margins are primarily driven by a markup on acquisition-related servicing activities. However, as the underlying portfolio builds and matures, we begin to generate additional recurring revenue streams through servicing fees, technology platform fees, and other program-related charges. These economics accumulate progressively, with a delayed but compounding effect on profitability. As such, the full margin potential of the LaaS program materializes over time, resulting in significant margin expansion as volumes grow and more of the fee-based revenue layers activate. Other contributing factors for the year-over-year increase in processing, technology and program servicing costs is the growth in transaction volume and banking fees relating to the LaaS program and other lending program costs as well as incremental costs relating to third party software subscriptions and licenses. Processing, technology and program servicing expenses are predominantly variable in nature and directly tied to the origination and servicing of loans facilitated through the Propel platform. These expenses also include fees paid to our Bank Partners (see “**Key Components of Results and Operations**” above). Excluding the impact of LaaS, these variable costs increased at a lower rate than the Company’s revenue growth. This reflects continued operating leverage across our core platform as we scale, while maintaining disciplined cost management in key servicing and technology functions.

	Three months ended March 31,		% Change
	2026	2025	
(US\$ other than percentages)	Amount	Amount	
LaaS service fees	5,861,301	2,738,952	114%
Processing, technology and other program costs	5,366,202	4,887,938	10%
LaaS servicing costs	4,136,133	2,323,675	78%
Total processing, technology and program servicing expense	9,502,335	7,211,613	32%
LaaS servicing costs as a % of LaaS service fees	71%	85%	

The disaggregation of revenue and the new presentation of LaaS servicing costs in Processing, technology and program servicing provides a view to operating margin in the LaaS program.

Interest and fees on credit facilities, and lease liabilities

Total interest expense (per the table below) increased by 3% to \$9.0 million for the three months ended March 31, 2026, compared to \$8.7 million for the corresponding period in 2025. The increase in total interest expense is primarily a result of our increased usage of our credit facilities. The increase in usage of our credit facilities was meaningfully offset by the reduction of central bank rates by both the Bank of Canada and the Federal Reserve during 2024 and 2025 (see “**Macroeconomic Environment and Outlook**” for further discussion on central bank policy rates). Furthermore, the three month period ended March 31, 2026 also benefited from a reduction in interest rates on both the MoneyKey and CreditFresh credit facilities that were completed in April 2025. As part of the upsizing on the CreditFresh facility and the amendment to the MoneyKey facility, the interest rate on the MoneyKey and CreditFresh credit facilities were reduced by approximately 600 bps and 130 bps, respectively (see “**Liquidity and Capital Resources - Credit Facilities**” for further detail). Our average daily facility outstanding (per the table below) increased by 21% to \$334.8 million for the three months ended March 31, 2026 as compared to \$275.7 million for the three months ended March 31, 2025. This increase in the average daily facility outstanding was used to fund the increase in loans and advances receivable. The average effective interest rate on the Company’s credit facilities (which include other facility related fees) decreased to 10.1% in the three months ended March 31, 2026 as compared to 12.2% in the three months ended March 31, 2025.

The decrease in the average effective interest rate on the Company’s credit facilities for the three months ended March 31, 2026 was driven by the reduction of central bank rates and the reduction in interest rates on the MoneyKey and CreditFresh facilities discussed above. Our credit facility rates have variable components that are currently tied to 3-month Term SOFR and CAD Prime (see “Liquidity and Capital Resources – Credit Facilities” for further detail). These variable components currently contain rate floors ranging from 1% to 1.75% for 3-month Term SOFR. During the three months ending March 31, 2026 3-month SOFR increased to 3.69% from 3.66% at December 31, 2025.

As at March 31, 2026, the debt-to-Equity² ratio for the Company was 1.19/1. With the sizable credit available under the debt facilities, the facilities structure from an advance rate perspective, and the relatively low debt-to-Equity² ratio carried by the Company, we believe we are in a strong position to continue to significantly grow our loans and advances receivable. See “**Liquidity and Capital Resources**” for further detail on the structure and credit availability under our credit facilities.

	Three Months Ended March 31,		Period over period change	
	2026	2025		
(US\$ other than percentages)	Amount	Amount	Amount	Percentage
Effective interest on credit facilities	8,456,529	8,410,273	46,256	1%
Average daily facility outstanding	334,832,519	275,715,639	59,116,880	21%
Average effective interest rate on credit facilities	10.1%	12.2%		
Other credit facility costs ⁽¹⁾	292,074	238,381	53,693	23%
Interest expense on lease liabilities	256,052	65,661	190,391	290%
Total Interest Expense	9,004,655	8,714,315	290,340	3%

(1) This includes the amortization of transaction costs capitalized as part of the new CreditFresh revolving credit facility that closed on February 23, 2023 and the CreditFresh revolving credit facility upsized that closed on April 25, 2025. See “Liquidity and Capital Resources” below.

Net income

Net income decreased by 12% to \$20.7 million for the three months ended March 31, 2026 from \$23.5 million for the same period in 2025. The year-over-year change in net income primarily reflects a combination of continued strong growth in revenues and balances, offset by higher provision for loan losses and other liabilities, increased acquisition and data expenses, and increased operating expenses associated with the Company's continued investment in growth initiatives and platform expansion.

As outlined in the sections above, Propel experienced significant growth in the three months ended March 31, 2026 where Ending Combined Loan and Advance Balances¹ increased by 23% year over year. As a result, revenue grew by 20% for the three months ended March 31, 2026. This growth was driven by the expansion of existing operations including: the (i) ongoing growth of the Bank Programs across the CreditFresh and MoneyKey brands, including outsized growth in the MoneyKey Bank Service Program as legacy MoneyKey direct lending and CSO products continue to transition to bank-partner structures; (ii) expanded marketing reach through existing and additional partner relationships and acquisition strategies; (iii) continued expansion across the consumer credit risk spectrum through lower fee products across the platform enabling us and our partners to provide credit to consumers who were not targeted previously; (iv) enhanced graduation and variable pricing capabilities; (v) the growing contribution of Fora and the LaaS program; and (vi) the continued growth of QuidMarket. Growth was further supported by continued strong demand for credit given the macroeconomic environment, the continued shift from brick and mortar to online lending, and tightening across the credit supply chain which has increased application volume on our platform. See “**Loans and advances receivable**” for further detail and drivers.

To realize and deliver the growth and initiatives outlined above, the Company is required to invest in and absorb larger costs in the short-term while realizing a significant portion of the associated revenues and economic benefits over future periods. As such, in accordance with IFRS, we are required to recognize higher upfront expenses relating primarily to (i) provision for loan losses and other liabilities; (ii) acquisition and data expense; and (iii) other operating expenses including salaries, wages, and benefits and G&A, as the Company continued to invest in infrastructure and capacity to support higher origination volumes, portfolio growth, and the ongoing scaling of recently launched initiatives including the LaaS program, product expansion of *Freshline*TM through the Company's partnership with Column, and Propel Bank. As a result of these dynamics, the net income margin for the three-month period ended March 31, 2026 was 12% compared to 17% for the three month period ended March 31, 2025. The year-over-year change in net income and net income margin primarily reflects several factors during the quarter, including: (i) a higher provision for loan losses and other liabilities as a percentage of revenue relative to Q1 2025, which reflected uncharacteristically low provision levels in the prior year period; notably, the provision level in Q1 2026 represents a strong and more normalized outcome and is among the Company's best historical first quarter performance; (ii) a higher proportion of new customer originations during Q1 2026 relative to Q1 2025, resulting in higher upfront expected credit loss provisioning under IFRS; (iii) higher acquisition and data expenses driven by the onboarding of new marketing partners and expansion into additional acquisition channels (see “**Acquisition and data expense**” above for further detail); and (iv) continued investment in scaling the Company's LaaS program and supporting recently launched initiatives, including the Column partnership and Propel Bank, that contributed to higher operating expenses in the near term.

In prior periods and MD&As, we have discussed and demonstrated ongoing operating leverage as operating expenses consistently decreased as a percentage of revenue, primarily driven by our core lines of business: MoneyKey and CreditFresh in the US. While this dynamic continues to be evident across the core platform, we did not observe the same level of operating leverage in Q1 2026 as the Company continued to invest in scaling new initiatives. Total operating expenses, which include acquisition and data expense, salaries, wages, and benefits, G&A, and processing, technology and program servicing expense, when aggregated together as a percentage of revenue increased to 31% for the three month period ended March 31, 2026 from 28% in same period in 2025. Operating expenses not including acquisition and data expense increased to 17% of revenue for the three month period ended March 31, 2026 as compared to 16% for the same period in 2025. The factors driving the changes in year-over-year operating expenses as a percentage of revenue include: i) the continued scaling of the growth initiatives including the LaaS program, which require upfront investment with significant economic benefits expected over future periods; ii) the expansion of acquisition channels and higher new customer volumes; and iii) as discussed under “Salaries, wages, and benefits” and “General and administrative expense” above, incremental infrastructure and personnel expenses supporting recently launched business development initiatives such as the launch and expansion of *Freshline™* through the Company’s partnership with Column and the operationalization of Propel Bank and associated infrastructure in Puerto Rico (see “**Business Overview**”), which are expected to further expand our distribution channels, geographic reach, and product capabilities. We expect these initiatives to contribute more meaningfully to the growth and profitability of the Company over time as they scale. See all associated expense sections above for a detailed discussion of performance.

From a macroeconomic perspective, despite ongoing uncertainty and elevated interest rates, particularly in the US, the Company continued to observe strong employment levels within its consumer segment and credit performance within targeted risk ranges. Credit performance remained stable during Q1 2026 following targeted underwriting adjustments implemented in prior periods. While this performance is supported in part by healthy labour-markets, it also reflects the disciplined underwriting posture maintained by us and its Bank Partners. Furthermore, our consumer segment has historically demonstrated resiliency through periods of economic stress. Please see “**Macroeconomic Environment and Outlook**” above for additional factors influencing net income.

(US\$ other than percentages)	Three Months Ended March 31,		
	2026	2025	% Change
Net income	20,713,887	23,500,531	(12)%
Net income as % of revenue	12%	17%	
Earnings per share (\$USD):			
Basic	0.53	0.60	(13)%
Diluted	0.49	0.56	(12)%
Earnings per share (\$CAD):			
Basic	0.72	0.87	(17)%
Diluted	0.67	0.80	(16)%
Adjusted Net Income ⁽¹⁾	22,968,762	23,362,435	(2)%
Adjusted Net Income Margin ⁽¹⁾	14%	17%	
Adjusted Earnings per Share (\$USD) ⁽¹⁾ :			
Basic	0.58	0.60	(3)%
Diluted	0.54	0.55	(2)%
Adjusted Earnings per Share (\$CAD) ⁽¹⁾ :			
Basic	0.80	0.86	(7)%
Diluted	0.74	0.80	(6)%
EBITDA ⁽¹⁾	39,469,007	41,895,598	(6)%
EBITDA Margin ⁽¹⁾	24%	30%	
Adjusted EBITDA ⁽¹⁾	42,045,998	41,216,846	2%
Adjusted EBITDA Margin ⁽¹⁾	25%	30%	

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

Adjusted Net Income

Adjusted Net Income¹ decreased by 2% to \$23.0 million for the three months ended March 31, 2026 from \$23.4 million for the same period in 2025.

The year-over-year change in Adjusted Net Income¹ reflects continued strong revenue growth and expansion of the Company's loan portfolio, offset by higher provision for loan losses and other liabilities and increased operating expenses associated with the Company's continued investment in growth initiatives and platform expansion. As discussed above in the net income section, the decrease in Adjusted Net Income¹ reflects several factors during the quarter, including: (i) a higher provision for loan losses and other liabilities as a percentage of revenue relative to Q1 2025, which reflected uncharacteristically low provision levels in the prior year period; notably, the provision level in Q1 2026 represents a strong and more normalized outcome and is among the Company's best historical first quarter performance; (ii) higher acquisition and data expenses driven by the onboarding of new marketing partners and expansion into additional acquisition channels (see "**Acquisition and data expense**" above for further detail); and (iii) continued investment in scaling the Company's LaaS program and supporting recently launched initiatives, including the Column partnership and Propel Bank, that contributed to higher operating expenses in the near term. Unlike certain adjusted metrics that exclude these types of expenditures, Adjusted Net Income¹ reflects these operating investments, including expenditures related to new business initiatives, AI-driven technology development, and infrastructure enhancements, and therefore captures the impact of these investments on current period profitability. Management views these investments as foundational to supporting long-term growth, expanding product capabilities, and enhancing the Company's operating platform.

Adjusted Net Income¹ removes the effects of non-cash estimated credit loss provisions that are required under IFRS to be recorded against balances that are otherwise in good standing (see "**Material Accounting Policies and Estimates — Loans and advances receivable**" in this MD&A). As a result, in periods of significant growth where we record estimated loan losses on new originations without any corresponding income, our margins can appear artificially decreased and do not reflect the actual credit performance of the portfolio and the overall financial performance of the business. On the other hand, in periods where loan balances contract, the opposite may hold true. Furthermore, we also remove the effect of i) the amortization of intangible assets acquired in connection with the Acquisition of QuidMarket; and ii) unrealized gains and losses related to changes in foreign exchange rates (see "**Reconciliation of Non-IFRS measures**" in this MD&A). Management believes Adjusted Net Income¹ is a truer reflection of business performance for the respective period. Notwithstanding the above, Adjusted Net Income¹ is impacted by similar dynamics and factors as those driving net income.

EBITDA¹

EBITDA¹ decreased by 6% to \$39.5 million for the three months ended March 31, 2026, from \$41.9 million for the same period in 2025. The movements in EBITDA¹ can be explained by similar dynamics and factors as those driving net income (see above).

Adjusted EBITDA¹

Adjusted EBITDA¹ increased by 2% to a record of \$42.0 million for the three months ended March 31, 2026 from \$41.2 million for the same period in 2025.

The year-over-year increase in Adjusted EBITDA¹ was primarily driven by strong revenue growth, partially offset by a higher provision for loan losses and other liabilities as a percentage of revenue in Q1 2026. The increase was also supported by a more favorable Stage 1 estimated credit loss adjustment in Q1 2026 compared to Q1 2025. In the prior year period, a reduction in certain program balances resulted in a negative adjustment, whereas in Q1 2026, continued portfolio growth led to a positive Stage 1 add-back, contributing to the year-over-year increase in Adjusted EBITDA¹.

Adjusted EBITDA¹ removes the effects of non-cash estimated credit loss provisions that are required under IFRS to be recorded against balances that are otherwise in good standing (see “**Material Accounting Policies and Estimates — Loans and advances receivable**” in this MD&A). As a result, in periods of significant growth where we record estimated loan losses on new originations without any corresponding income, our margins can appear artificially decreased and do not reflect the actual credit performance of the portfolio and the overall financial performance of the business. On the other hand, in periods where loan balances contract, the opposite may hold true. Such adjustments relating to the non-cash expected credit loss provisions recorded on good standing balances are consistent with the adjustments made to Adjusted Net Income¹ albeit on a pre-tax basis. Furthermore, we also remove the effect of unrealized gains and losses related to changes in foreign exchange rates (see “**Reconciliation of Non-IFRS measures**” in this MD&A). Therefore, see “Adjusted Net Income” above for a discussion of how such adjustments impacted the three month period ending March 31, 2026. Furthermore, see “**Reconciliation of Non-IFRS measures**” in this MD&A. Management believes Adjusted EBITDA¹ is a truer reflection of business performance over the respective periods. Notwithstanding the above, Adjusted EBITDA¹ is impacted by similar dynamics and factors as those driving net income, EBITDA¹ and Adjusted Net Income¹.

Return on equity²

Return on equity² was 31% in Q1 2026 on an annualized basis compared to 42% for the same period in 2025. As discussed in “**Supplemental Financial Measures**” above, return on equity² is derived from our net income and average shareholders’ equity for the given period with the average shareholders’ equity calculated using the average of each average quarterly shareholders’ equity balance for a given period. Further, the quarterly return on equity² is presented on an annualized basis. Notwithstanding the decline in Q1 2026, we believe a 31% return on equity² demonstrates a strong return on shareholders’ capital.

Adjusted Return on Equity¹

Adjusted Return on Equity¹ was 34% in Q1 2026 on an annualized basis compared to 42% for the same period in 2025. As discussed in “**Supplemental Financial Measures**” and “**Non-IFRS Financial Measures and Industry Metrics**” above, Adjusted Return on Equity¹ is derived from our Adjusted Net Income¹ and average shareholders’ equity for the given period with the average shareholders’ equity calculated using the average of each average quarterly shareholders’ equity balance for a given period. Further, the quarterly Adjusted Return on Equity¹ is presented on an annualized basis. Notwithstanding the decline in Q1 2026, we believe a 34% Adjusted Return on Equity¹ demonstrates a strong return on shareholders’ capital.

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

(2) See “Supplementary Financial Measures”.

(3) Comparative figures have been updated to conform with current presentation.

Reconciliation of Non-IFRS Financial Measures

The following table provides a reconciliation of our net income to EBITDA² and to Adjusted EBITDA² for the three month periods ending March 31, 2026 and March 31, 2025:

	Three months ended March 31,	
	2026	2025
(US\$ other than percentages)		
Net income	20,713,887	23,500,531
Interest and fees on credit facilities	8,748,603	8,648,654
Interest expense on lease liabilities	256,052	65,661
Depreciation and amortization	2,581,687	1,985,249
Income Tax Expense (Recovery)	7,168,778	7,695,503
EBITDA ⁽²⁾	39,469,007	41,895,598
EBITDA ⁽²⁾ Margin	24%	30%
Unrealized loss (gain) on derivative financial instruments	216,914	(486,398)
Provision for credit losses on current status accounts ⁽¹⁾	1,166,675	480,249
Provisions for CSO Guarantee Liabilities and Bank Service Program liabilities	1,193,402	(672,603)
Adjusted EBITDA ⁽²⁾	42,045,998	41,216,846
Adjusted EBITDA ⁽²⁾ Margin	25%	30%

- (1) Provision included for (i) loan losses on good standing current principal (Stage 1 — Performing) balances (see “Material Accounting Policies and Estimates — Loans and advances receivable” in this MD&A).
- (2) See “Non-IFRS Financial Measures and Industry Metrics”.

The following table provides a reconciliation of our Adjusted Return on Equity¹ for the three month periods ending March 31, 2026 and March 31, 2025:

	Three months ended March 31,	
	2026	2025
(US\$ other than percentages)		
Net income	20,713,887	23,500,531
Unrealized loss (gain) on derivative financial instruments, net of taxes ⁽²⁾	159,432	(357,503)
Amortization of acquired intangible assets, net of taxes ⁽²⁾	360,787	360,787
Provision for credit losses on current status accounts, net of taxes ⁽²⁾	857,506	352,983
Provisions for CSO Guarantee liabilities and Bank Service Program liabilities, net of taxes ⁽²⁾	877,150	(494,363)
Adjusted Net Income ⁽¹⁾	22,968,762	23,362,435
Multiplied by number of periods in year	x4	x4
Divided by average shareholders’ equity for the period	267,688,456	221,513,959
Adjusted Return on Equity ⁽¹⁾	34%	42%

- (1) See “Non-IFRS Financial Measures and Industry Metrics”.
- (2) Each item is adjusted for after-tax impact, at an effective tax rate of 26.5% for the three months ended March 31, 2026 and comparative 2025 period.

The following table provides a reconciliation of our net income to Adjusted Net Income¹, and earnings per share to Adjusted Earnings per Share¹, for the three month periods ending March 31, 2026 and March 31, 2025:

	Three months ended March 31,	
	2026	2025
(US\$ other than percentages)		
Net income	20,713,887	23,500,531
Unrealized loss (gain) on derivative financial instruments, net of taxes ⁽²⁾	159,432	(357,503)
Amortization of acquired intangible assets, net of taxes ⁽²⁾	360,787	360,787
Provision for credit losses on current status accounts, net of taxes ⁽²⁾	857,506	352,983
Provisions for CSO Guarantee Liabilities and Bank Service Program liabilities net of taxes ⁽²⁾	877,150	(494,363)
Adjusted Net Income ⁽¹⁾	22,968,762	23,362,435
Adjusted Net Income Margin ⁽¹⁾	14%	17%
Adjusted Return on Equity ⁽¹⁾	34%	42%
Weighted average number of shares outstanding:		
Basic	39,362,753	38,854,698
Diluted	42,332,763	42,175,454
Earnings per share (\$USD):		
Basic	0.53	0.60
Diluted	0.49	0.56
Earnings per share (\$CAD):		
Basic	0.72	0.87
Diluted	0.67	0.80
Adjusted Earnings per Share (\$USD) ⁽¹⁾ :		
Basic	0.58	0.60
Diluted	0.54	0.55
Adjusted Earnings per Share (\$CAD) ⁽¹⁾ :		
Basic	0.80	0.86
Diluted	0.74	0.80

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

(2) Each item is adjusted for after-tax impact, at an effective tax rate of 26.5% for the three months ended March 31, 2026 and comparative 2025 period.

The following table provides a reconciliation of our Net Charge-Offs¹ to provision for loan losses and other liabilities for the three month periods ending March 31, 2026 and March 31, 2025:

	Three months ended March 31,	
	2026	2025
(US\$ other than percentages)		
Charge-offs	85,720,821	64,743,842
Recoveries	(11,185,574)	(8,284,311)
Net Charge-Offs ⁽¹⁾	74,535,247	56,459,531
Change in Provision for Loan Losses	(1,722,931)	2,476,658
Provision for loan losses	72,812,316	58,936,189
Movement in financial obligation ⁽²⁾	1,193,402	(672,603)
Other lending program costs	759,765	415,040
Provision for loan losses and other liabilities	74,765,483	58,678,626

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

(2) Movement in financial obligation is equivalent to Provisions for CSO Guarantee Liabilities and Bank Service Program liabilities.

The following table provides a reconciliation of our Ending Combined Loan and Advance Balances¹ to loans and advances receivable for the periods ending March 31, 2026 and March 31, 2025 (See “Material Accounting Policies and Estimates — Loans and advances receivable” in this MD&A):

	As at March 31,		As at Dec 31,
	2026	2025	2025
(US\$ other than percentages)			
Ending Combined Loan and Advance balances ⁽¹⁾	592,746,691	483,210,887	589,548,106
Less: Loan and Advance balances owned by third party lenders pursuant to CSO program	(297,426)	(4,853,215)	(3,087,349)
Less: Loan and Advance balances owned by a NBFi pursuant to the MoneyKey Bank Service program	(88,497,600)	(57,223,345)	(78,702,887)
Loan and Advance owned by the Company	503,951,665	421,134,327	507,757,870
Less: Allowance for Credit Losses	(135,717,624)	(113,704,371)	(137,659,188)
Add: Fees and interest receivable	73,116,328	55,983,713	67,677,786
Add: Acquisition transaction costs	25,089,022	16,662,346	21,987,814
Loans and advances receivable	466,439,391	380,076,015	459,764,282

(1) See “Non-IFRS Financial Measures and Industry Metrics”.

Liquidity and Capital Resources

Overview

Our principal uses of funds are for making loans and advances originated by Propel and/or facilitated through our platform as well as for operating expenses and debt service requirements. We believe that the capacity under our existing credit facilities, as well as the earnings and cash flow generated by the business are sufficient to support the short to medium term growth of our Ending Combined Loan and Advance Balances¹, our ongoing operating expenses, future dividends, and the recent and ongoing initiatives outlined in the sections above (see “**Business Overview**”). However, our ability to fund future Ending Combined Loan and Advance Balances¹ and our operating expenses depends upon, among other things, our continued ability to access debt capital at attractive rates, the credit quality of our Ending Combined Loan and Advance Balances¹ as well as the future growth and stability of our operating performance. See “**Risk Factors**” in the AIF for additional information.

Credit Facilities

	As at March 31, 2026		As at December 31, 2025	
	Max Borrowing Base	Amount Drawn	Max Borrowing Base	Amount Drawn
MoneyKey Facility	6,157,950	6,100,000	7,269,307	7,000,000
CreditFresh Facility	333,425,791	305,400,000	335,443,487	312,900,000
Fora Facility	19,222,340	13,954,466	19,171,850	11,138,250
Total	358,806,081	325,454,466	361,884,644	331,038,250

MoneyKey Facility

The MoneyKey Facility is secured by a general security agreement over all of the assets of the Company and certain of its operating subsidiaries. On April 22, 2025, the Company, and certain of its state licensed, direct lending and CSO operating subsidiaries refinanced the revolving credit facility (the “**MoneyKey Facility**”) with a US lender party thereto from time to time. The MoneyKey Facility provides for a maximum borrowing base of \$15 million at a 70% advance rate, and interest rate of 3-month SOFR plus 425 bps. The interest rate was reduced by approximately 600 bps from the prior credit facility. We also pay an unused fee of 75 bps on unborrowed amounts.

Under the terms of the MoneyKey Facility, the Company is subject to certain financial and non-financial covenants, including restrictions on us, and certain of our operating subsidiaries, subject to certain exceptions as to: indebtedness; liens; dividends or distributions on or redemptions of equity interests; material changes to our business; liquidations, mergers, or consolidations into any other entity; and transfers of equity interests of the Company or certain of its operating subsidiaries. The Company is permitted to pay dividends on its shares provided that an event of default has not occurred and would not occur as a result of the payment of the dividend. In addition, several of the material financial covenants include tangible net worth, liquidity, and leverage tests. Furthermore, several material operating covenants include default and cash recovery tests. The Company continues to be compliant with all such covenants.

Subsequent to quarter end, on April 23, 2026, the Company fully repaid and terminated the MoneyKey Facility. The termination of this facility reflects the continued transition of originations from MoneyKey direct lending and CSO products to the MoneyKey Bank Service Program. This transition is consistent with the Company’s broader strategy to simplify its product structure, consolidate originations within scalable bank-partner programs, and enhance operational efficiency.

CreditFresh Facility

On February 23, 2023, the Company, CreditFresh DST I and CreditFresh DST II entered into a new revolving credit facility with a US based syndicate of lenders party thereto from time to time (the “**CreditFresh Facility**”). On July 25, 2024, the Company upsized the CreditFresh Facility by \$80 million and on April 25, 2025, the Company further upsized the CreditFresh Facility by an additional \$70 million and now provides for a maximum borrowing amount of \$400 million at an advance rate of 85%. As part of the April 25, 2025 amendment, the interest rate was reduced to 3-month SOFR plus approximately 620 bps from 3-month SOFR plus 750 bps. We also pay an unused fee of 50 bps on unborrowed amounts.

The CreditFresh Facility is secured (i) by a pledge of the beneficial interest of the Company in CreditFresh DST I and CreditFresh DST II and (ii) by general security over all of the assets of CreditFresh DST I and CreditFresh DST II. Under the terms of the CreditFresh Facility, the Company, CreditFresh DST I, and CreditFresh DST II are subject to certain financial and non-financial covenants including restrictions on us, and certain of our operating subsidiaries, subject to certain exceptions as to: indebtedness; liens; dividends; distributions on or redemptions of equity interests; material changes to our business; liquidations, mergers, or consolidations into any other entity; transfers of equity interests of the Company or certain of its operating subsidiaries; minimum equity and liquidity; and leverage. The Company is permitted to pay dividends on its shares provided that an event of default has not occurred and would not occur as a result of the payment of the dividend. In addition, several of the material financial covenants include tangible net worth, liquidity, and leverage tests. Furthermore, several material operating covenants include default and cash recovery tests. The Company continues to be compliant with all such covenants.

Fora Credit Facility

On November 11, 2022, the Company and one of its subsidiaries entered into a revolving credit facility with US and Canadian based lenders party thereto from time to time (the “**Fora Credit Facility**”). On April 28, 2026, the Company completed an amendment and upsize to the Fora Credit Facility (see “**Subsequent Events**” in this MD&A). The amendment increased the capacity of the credit facility to C\$40 million from approximately C\$26 million previously, and reduced the interest rate by approximately 200 bps. The amended Fora Credit Facility matures on May 30, 2028. We also pay an unused fee of 0.50% on unborrowed amounts.

The Fora Credit Facility is secured by a general security agreement over all of the assets of the Fora Credit as well as a general security agreement over all of the assets of the Company.

Under the terms of the Fora Credit Facility, the Company is subject to certain financial and non-financial covenants, including restrictions on us, and certain of our operating subsidiaries, subject to certain exceptions as to: indebtedness; liens; dividends; distributions on or redemptions of equity interests; material changes to our business; liquidations, mergers, or consolidations into any other entity; transfers of equity interests of the Company or certain of its operating subsidiaries; minimum equity and liquidity; and leverage. The Company is permitted to pay dividends on its shares provided that an event of default has not occurred and would not occur as a result of the payment of the dividend. In addition, several of the material financial covenants include loan credit performance, tangible net worth, liquidity, and leverage tests. Furthermore, several material operating covenants include default and cash recovery tests. The Company is compliant with all such covenants.

Contractual Obligations

Our contractual obligations consist of principal repayments and interest on long-term debt, capital leases for office equipment, and operating leases for office equipment and facilities. During the three months ending March 31, 2026, the Company had net advances (draws net of repayments) of \$(5.5) million from our credit facilities to bring the total drawn amount on our existing credit facilities to \$325.5 million. As of March 31, 2026, there were no other material changes to the contractual obligations and commitments, as disclosed in the December 31, 2025 MD&A.

Other Commitments

MoneyKey has certain commitments, obligations, and liabilities under both its CSO Program and its Bank Program. See “**Off-Balance Sheet Arrangements**” in this MD&A for further detail. Propel has the legal requirement to maintain various cash reserve balances to operate its programs through both brands and for payment processing with banks. Such cash reserves are reported as restricted cash in the Consolidated Statement of Financial Position.

We also enter into forward exchange contracts to hedge against currency fluctuations between the United States dollar and the Canadian dollar. At March 31, 2026, the Company was obligated to sell \$12.0 million through such forward contracts. At March 31, 2025 the Company was obligated to sell \$7.0 million through such forward contracts.

Cash Flows

Analysis of cash flows for the three months ended March 31, 2026 compared to March 31, 2025

Our cash flows in the applicable period are summarized in the following table for the periods indicated, which have been derived from our consolidated financial statements and related notes.

(US\$ other than percentages)	Three months ended March 31,	
	2026	2025
Net income	20,713,887	23,500,531
Items not affecting cash	81,337,057	65,130,668
Net additions of loans and advances receivable and principal recoveries	(77,324,256)	(62,636,247)
Changes in working capital and other	(4,403,183)	(10,677,486)
Net cash from (used in) operating activities	20,323,505	15,317,466
Cash flows from (used in) financing activities		
Advances from credit facilities	(5,468,993)	(650,000)
Transaction costs on credit facilities	9,201	-
Payments on lease liabilities	(314,819)	(121,247)
Dividends paid	(6,488,211)	(4,442,098)
Common shares purchased for cancellation	(159,086)	-
Share issuance proceeds, net of issuance costs	-	-
Proceeds from options exercised	61,175	125,697
Net cash from (used in) financing activities	(12,360,733)	(5,087,648)
Cash flows from (used in) investing activities		
Purchases of property and equipment	(106,030)	(15,141)
Cost of internally generated intangible assets	(2,598,940)	(2,117,678)
Net cash from (used in) investing activities	(2,704,970)	(2,132,819)
Effect of exchange rate changes on cash	(182,750)	552,479
Net change in cash	5,257,802	8,096,999
Cash, beginning of period	23,928,571	20,502,070
Cash, end of period	29,003,623	29,151,548

Operating Activities

Net cash generated from (used in) operating activities was \$20.3 million for the three-month period ended March 31, 2026, compared to \$15.3 million for the corresponding period in 2025.

The increase in net cash generated from operating activities for the three-month period ended March 31, 2026 was driven by a higher provision for loan losses (the largest item not affecting cash) offset by a decrease in net income and higher net additions of loans and advances receivable due to the higher Total Originations Funded¹ (see “**Results of operations**” above). Furthermore, the Q1 2026 period was positively impacted from a lower use of cash from changes in working capital which was primarily related to decreased restricted cash and reserves resulting from a reduction in the reserve requirement for the MoneyKey Bank Service Program..

We do note that net additions of loans and advances receivable is the single largest driver of the overall net cash from (used in) operating activities and significant financing capital is required to continue growing these balances. Management believes an alternate view more useful to the reader may be to reclassify net additions of loans and advances receivable and principal recoveries from operating activities to investing activities and deduct actual Net Charge-Offs¹ may provide a more accurate view of the cash generated from the Company's operating activities.

Financing Activities

Net cash generated (used in) from financing activities was \$(12.4) million for the three-month period ended March 31, 2026, compared to \$(5.1) million for the corresponding period in 2025.

The decrease for the three-month period ended March 31, 2026 was a result of a higher net repayment of credit facilities and the increase in dividends paid during Q1 2026. The higher net repayment of credit facilities and the increase in dividends paid were supported by the increase in net cash generated from operating activities during Q1 2025 described above.

Investing Activities

Net cash used in investing activities was \$(2.7) million for the three-month period ended March 31, 2026, compared to \$(2.1) million for the corresponding period in 2025.

The Company continues to make consistent investments in internally generated intangible assets which are comprised of our proprietary loan management system and AI powered underwriting technology platform, which is approved by our Bank Partners. These continued investments enable us to expand product and service offerings, integrate with new partners including banks, marketing and data partners, enhance our machine learning underwriting capabilities, optimize the online customer experience, and increase automation and ease-of-use for customer service agent activities in our proprietary loan management system, amongst other things. In addition to supporting ongoing enhancements across established programs such as the LaaS program, these investments are also directed toward recently launched strategic initiatives, including Column and Propel Bank (see "**Business Overview**" above) and future initiatives that have not yet been launched but are designed to expand the Company's total addressable market. These enhancements to the Company's technology and data infrastructure to support new product categories, additional Bank Partner integrations, and broader distribution capabilities. Collectively, these continued investments contribute to the Company's operational efficiency, scalability, and long-term margin profile, reinforcing the technology-led foundation of Propel's business model.

Off-Balance Sheet Arrangements

Through our MoneyKey brand, we provide services related to unaffiliated third-party lenders' consumer loan products as a state-licensed CAB and CSO in the state of Texas. These services include arranging loans, assisting in the preparation of loan applications and documents, and providing guarantees of consumer loan payment obligations to the unaffiliated third-party lenders in the event that the customer defaults on their loan payments. In addition, we provide loan servicing over the duration of the loan. A borrower who obtains a loan through the CSO program pays MoneyKey a fee for the services (the "CSO Fee"), which includes the guarantee to the third-party lender of the repayment of the borrower's loan. Once the loan is originated and the guarantee is provided, the Company sets up a reserve with the lender (as a percentage of the outstanding loan amount) which is reported as restricted cash in our consolidated statement of financial position. We estimate a liability for losses associated with the guarantee provided to the lender (the "CSO Guarantee Liability") using a similar ECL methodology to the allowance for credit losses on our loans and advances receivable. The loan products provided under this program are Installment Loans. The Company began transitioning originations in Texas, the primary jurisdiction for its CSO program, to the MoneyKey Bank Service Program in Q4 2025 as part of its broader strategy to simplify and standardize its product offerings under bank-partner structures. The Company has continued this transition in additional states and expects to expand these efforts over the coming quarters. As a result, balances associated with the CSO program are expected to continue to decline over time as existing receivables run off. This transition reflects the Company's focus on consolidating operations within scalable bank-partner programs that provide greater consistency in underwriting, pricing and servicing, while supporting expansion across a broader addressable market.

In addition, through our MoneyKey brand, we provide services to an NBFi which has a program agreement with a Bank Partner to whom it provides services, some of which have been outsourced to MoneyKey, including marketing, analytics, and loan servicing services. The Bank Partner offers unsecured Lines of Credit to borrowers in which the NBFi purchases an economic interest in the advances on those Lines of Credit. Under the program, the Company has an agreement to purchase balances originated through this program should the accounts default or become non-performing loans and are presented for sale. Once the economic interest is purchased from the Bank Partner by the NBFi, the Company sets up a reserve with the NBFi (as a percentage of the outstanding advance amount) which is reported as restricted cash in our consolidated statement of financial position. We also estimate a liability (the "Bank Service Program liability") for losses associated with the purchase of defaulted loans from the NBFi using a similar ECL methodology to the allowance for credit losses on our loans and advances receivable.

(US\$ other than percentages)	Three-months ended March 31,	
	2026	2025
<u>CSO Program Products (MoneyKey)</u>		
Fees from CSO program	455,781	4,085,146
<u>Bank Service Program Advances (MoneyKey)</u>		
Fees from Bank Service Program	31,823,072	20,357,996
	As at	
(US\$ other than percentages)	March 31, 2026	December 31, 2025
<u>CSO Program Products (MoneyKey)</u>		
Loans and advances receivable (On Balance Sheet)	1,468,827	3,845,728
CSO Guarantee Liability	6,835	212,611
CSO Obligation	46,493	1,362,339
Installment loan borrower balances (Off Balance Sheet)	297,426	3,087,349
Reserve balances (Reflected in Company's Restricted cash)	148,679	1,667,735
<u>Bank Service Program Advances (MoneyKey)</u>		
Loans and advances receivable (On Balance Sheet)	8,068,015	8,028,950
Bank Service Program liability	14,981,783	13,582,605
Bank Service Program obligation	1,244,622	1,431,668
Line of credit borrower balances (Off Balance Sheet)	88,497,600	78,702,887
Reserve balances (Reflected in Company's Restricted cash)	13,017,393	23,220,064

Risks and Uncertainties

We are exposed to a variety of financial risks and uncertainties in the normal course of operations including credit risk, industry risk, liquidity risk, interest rate risks, and exchange rate risk. See “**Risk Factors**” in the AIF for a more detailed discussion of risks we may face.

Our overall risk management program and business practices seek to minimize any potential adverse effects on our consolidated financial performance. Risk management is carried out under practices approved by our Board. This includes identifying, evaluating, and hedging financial risks based on our requirements. Our Board provides guidance for overall risk management, covering many areas of risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company’s cash, restricted cash, and loans and advances receivable. The maximum amount of credit risk exposure is limited to the carrying amounts of these balances. Cash is maintained with Canadian, US and UK financial institutions. Deposits held with banks may exceed the amount of federal insurance provided on such deposits. Unless otherwise disclosed, these deposits may be redeemed upon demand and are maintained with financial institutions of reputable credit and therefore bear minimal credit risk. In relation to loans and advances receivable, the Company closely monitors its customer default rate and overall recovery per dollar or pound loaned, adjusts its lending terms and policies as deemed necessary and establishes an allowance for credit losses. See “**Analysis of Results for the three months ended March 31, 2026, compared to March 31, 2025 — Provision for loan losses and other liabilities**” above for further details.

The Company has a concentration of credit risk because substantially all of its loans and advances receivable balance is comprised of unsecured small dollar, high interest/financing fee advances and loans to US, Canadian and UK customers with higher credit risk characteristics.

Industry risk

The consumer lending industry within which the Company operates is subject to a number of laws and regulations at both the state and federal levels in the US, both the provincial and federal levels in Canada and at the national level in the UK. Changes to these laws and regulations as well as differences in interpretation when applying them to the Company’s business pose a risk to the Company as the impact of these changes could have a material adverse impact on the Company’s asset values and overall financial results. The Company manages this risk by, among other things: having a robust and experienced in-house legal department and regulatory compliance department (comprised of lawyers, auditors and other compliance professionals) dedicated to the interpretation, application, monitoring and advisory activities related to applicable laws and regulations; undertaking robust internal analyses and developing in-house processes and systems to manage compliance risk; having business controls in place to manage compliance risk; employing internal and external legal counsel to assist in interpreting and applying new and existing laws and regulations, being an active participant in an industry trade organization and in identifying and monitoring upcoming changes; and by undergoing internal and external audits to ensure ongoing compliance with applicable requirements.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Company is exposed to interest rate cash flow risk on its credit facilities as they bear interest at a fixed rate plus 3-month Term SOFR per annum and a fixed rate plus CAD Prime per annum. As of March 31, 2026, and December 31, 2025, we are exposed to interest rate risk on our credit facility balance of \$325.5 million and \$331.0 million respectively.

Changes in the 3-month Term SOFR rates may impact our cost of borrowing and any subsequent changes to our credit facility may increase our interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities or will not have sufficient funds to issue loans and/or advances to its customers. The Company is exposed to liquidity risk depending on the timing of customer payments, customer default rates and the availability of third-party financing. The Company manages its liquidity risk by closely monitoring its available cash on hand, available financing and expected collection rates and timing to ensure it has sufficient cash to meet its financial obligations as they come due and provide loans and advances to customers when requested. The Company is also obligated to purchase Bank Program advances that are offered for sale to the Company by both Bank Partners. The amount of Bank Program advances that were funded by the Bank Partners but not yet offered for sale to the Company as of March 31, 2026 was \$5,339,113 (December 31, 2025 - \$7,385,496). Management has determined no provisions are required on these amounts as of the balance sheet date, but regularly assesses these amounts and considers whether provisions may be required in advance of an offer to sell.

The Company is obligated to the following contractual maturities of undiscounted cash flows as at March 31, 2026:

	As at March 31, 2026			
	Carrying amount	Year 1	Year 2	Onwards
Accounts payable	10,769,061	10,769,061	-	-
Accrued liabilities	33,906,852	33,906,852	-	-
Income taxes payable	11,925,191	11,925,191	-	-
Amount drawn on credit facilities ..	325,454,466	13,954,466	-	311,500,000
Derivative instruments	21,510	21,510	-	-
Total	382,077,080	70,577,080	-	311,500,000

Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company enters into transactions denominated in Canadian dollars for which the related expenses, and accounts payable balances are subject to exchange rate fluctuations. As at March 31, 2026 and December 31, 2025, the following items are denominated in a foreign currency:

	As at			
	March 31, 2026		December 31, 2025	
	\$CAD	£GBP	\$CAD	£GBP
Cash	1,357,289	3,024,982	1,648,422	3,306,793
Restricted cash	434,759	66,071	351,050	-
Loans and advances receivable ..	35,205,062	29,938,324	35,461,149	28,106,902
Accounts payable	1,602,457	2,385,638	4,298,294	1,383,573
Accrued liabilities	2,819,020	309,408	3,566,309	190,523
Lease liabilities	8,503,173	740,226	8,606,186	799,444

To minimize foreign currency risk management enters into forward currency hedging instruments to exchange US dollars for Canadian dollars at a rate that is at or close to the Company's budgeted currency rate.

Income tax matters

The income of the Company must be computed in accordance with Canadian, US and UK tax laws, all of which may be changed in a manner that could adversely affect the Company's business, financial condition, or results of operation.

Material Accounting Policies and Estimates

This MD&A uses information from our consolidated financial statements which are prepared in accordance with IFRS. The preparation of these consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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 revision affects both current and future periods.

Loans and advances receivable

The recognition of loans and advances receivables owned by the Company and loss allowances requires the Company to assess credit risk and collectability. The Company considers historical trends and any available information indicating a customer could be experiencing liquidity problems as well as available information indicating a change in the status of each customer in performing this assessment.

The Company applies the general approach for measuring and recognizing the loss allowance on loans and advances receivable. The Company has determined the likely impairment loss on loans and advances receivable which have not maintained their contractual loan and advance repayment schedule. The expected credit losses factors in the Company's portfolio and is calculated considering a variety of factors, including, but not limited to: aging, delinquency levels, composition and quality of the portfolio, historical data regarding collection success rate, and the Company's historical charge-off and loss experience. The methodology and assumptions used in setting the expected credit losses are reviewed regularly in an effort to reduce any differences between loss estimates and actual losses experienced.

In reference to our accounting policy note in the December 31, 2025 consolidated financial statements in Note 3, an ECL model applies to our loans and advances receivable. The Company builds an allowance for credit losses irrespective of whether a loss 'trigger' event has occurred or not. Therefore, expected losses are built up against receivables that are otherwise performing as at a specific reporting date. As part of this application, the Company segments its loans and advances into 3 stages:

- (1) Stage 1 (Performing) — These are current and good standing loans and advances that have no payments in arrears.
- (2) Stage 2 (Under-performing) — These are delinquent loans and advances that have one or more payments in arrears. An account in this status has the potential to go back to Stage 1 if the past due payment is brought up to date, subject to product specific requirements. Accounts generally remain in Stage 2 until payments are past due in excess of 90 days before moving to Stage 3.
- (3) Stage 3 (Non-performing) — These are defaulted loans and advances where an account has a payment past due in excess of 90 days. Once an account has moved to Stage 3, it cannot return back to Stage 2 or Stage 1. There is no further judgment applied in determining the time before Stage 3 classification and is deemed non-performing. An account remains in Stage 3 for up to 30 days after which point it is charged-off.

There are no further fees charged to accounts in Stage 3 and the account is no longer cycling actively in our loan management system. Furthermore, the Company does not provide any additional credit to borrowers who are in arrears (whether Stage 2 or Stage 3).

The above stages are further segmented at a program, product and aging level. Allowances for credit losses are applied to each stage by computing ECLs for each granular segment using a combination of detailed historical loan performance data, forward-looking indicators, and an element of management judgment. Additionally, the longest period of time a borrower can go between mandatory repayments is monthly, and as such, impairment of loans can be adequately assessed in a timely manner. For accounts in Stage 1, a 12-month expected credit loss is applied and for accounts in Stages 2 and 3, a lifetime expected credit loss is applied.

Years of vintage performance data by granular segment provides a baseline of how much loan principal ends up being charged-off, net of recoveries and any proceeds from debt sales. As part of this analysis, we examine a combination of the number of accounts that default (probability of default), the average amount lost or charged-off when a default occurs (loss given default), and the expected balances at default (exposure at default). The product of these three elements provides us with the baseline ECL for a particular segment. This baseline ECL is then further analyzed through internally developed credit risk models to make quantitative and qualitative adjustments for risk factors that exist in the portfolio as at the reporting date but may not have been present in the vintage performance data.

Our measurement of ECLs is also influenced by forward looking indicators which include the impact of macroeconomic forces on our business. With respect to the macroeconomic forces, consideration is given to variables such as unemployment rate, inflation rate, and wage growth, among others, that have an influence on our business. As part of the process, three forward looking scenarios are developed 1) Optimistic, 2) Neutral, 3) Pessimistic in consideration of each macroeconomic factor, and management judgment is applied to determine a probability weighted allowance for credit losses as of the reporting date.

	As at March 31,		As at Dec 31
	2026	2025	2025
Loan and Advance owned by the Company (including Fee and interest receivable) ⁽¹⁾			
Stage 1 - Performing	428,628,209	358,648,902	417,838,517
Stage 2 - Under-Performing	122,864,038	94,976,260	130,202,174
Stage 3 - Non-Performing	25,575,746	23,492,878	27,394,965
Total	577,067,993	477,118,040	575,435,656
Allowance for Credit Losses			
Stage 1 - Performing	(45,630,705)	(39,837,671)	(44,464,030)
Stage 2 - Under-Performing	(66,435,739)	(54,782,032)	(67,983,334)
Stage 3 - Non-Performing	(23,651,180)	(19,084,668)	(25,211,824)
Total	(135,717,624)	(113,704,371)	(137,659,188)
Allowance for Credit Losses %			
Stage 1 - Performing	(11%)	(11%)	(11%)
Stage 2 - Under-Performing	(54%)	(58%)	(52%)
Stage 3 - Non-Performing	(92%)	(81%)	(92%)
Total	(24%)	(24%)	(24%)
Loans and advances receivable (Less: Acquisition transaction costs) ⁽¹⁾			
Stage 1 - Performing	382,997,504	318,811,231	373,374,487
Stage 2 - Under-Performing	56,428,299	40,194,228	62,218,840
Stage 3 - Non-Performing	1,924,566	4,408,210	2,183,141
Total	441,350,369	363,413,669	437,776,468
Acquisition transaction costs	25,089,022	16,662,346	21,987,814
Loans and advances receivable	466,439,391	380,076,015	459,764,282

(1) See “Reconciliation of Non-IFRS financial measures — reconciliation of our Ending Combined Loan and Advance Balances to loans and advances receivable”

The movement in these allowances for loan losses shown above are a large component that drives the provision for loan losses and other liabilities expense (see “**Key Components of Results of Operations — Provision for loan losses and other liabilities**” in this MD&A).

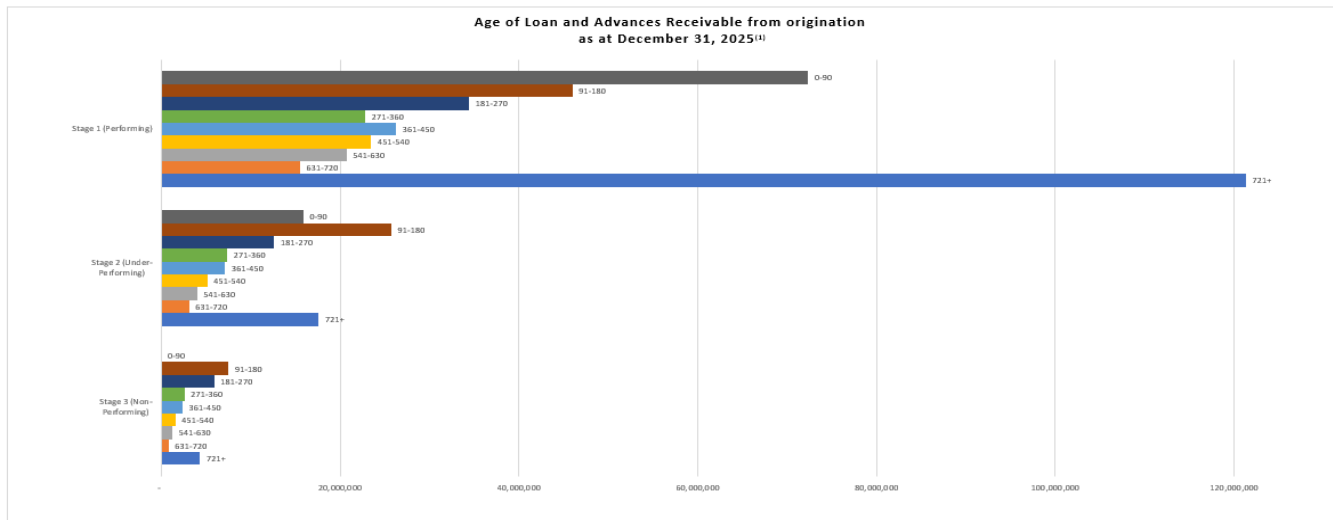
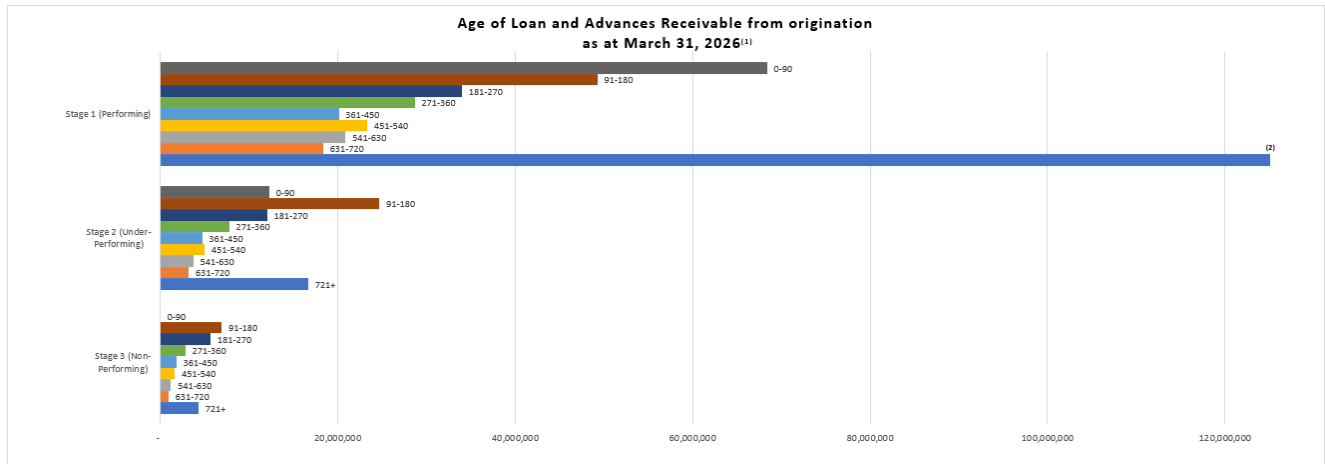
IFRS 9 impact on provision for loan losses and other liabilities

As outlined above, in accordance with IFRS 9 requirements, an ECL methodology applies to our loans and advances receivable — 12-month ECLs for Stage 1 and lifetime ECLs for Stages 2 and 3. This requires the Company to set-up an ECL allowance for credit losses upon acquisition of new finance receivables and irrespective of whether a loss ‘trigger’ event has occurred or not. Therefore, expected losses are built up against receivables that are otherwise performing and have no negative payment history as at a specific reporting date. This early recognition of future credit losses is materially different than an ‘incurred’ credit loss methodology and management feels is a very conservative way to account for loan losses.

Under IFRS, an allowance for loan losses is required for Stage 1 representing the total expected credit losses over a 12-month period. Therefore, from an accounting perspective, the Company is required to take a material provision for loan losses and other liabilities expense today and only recognize revenue over the term of the product as it is earned. In periods of significant growth in loans and advances receivable a charge to provision for loan losses and other liabilities is required for future expected losses prior to any revenue being generated. Note that we are also required to set up provisions for estimated CSO Guarantee Liabilities and Bank Service Program liabilities that are computed using the ECL model as well (see “Key Components of Operations — Provision for loan losses and other liabilities”). This is included in the impact to provision for loan losses and other liabilities shown below.

The approximate impact of applying this methodology can be estimated by the movement of the Stage 1 allowance. Therefore, the impact on the Company’s provision for loan losses and other liabilities and consequently on EBITDA¹ was approximately \$2.4 million for the three-month period ended March 31, 2026 as compared to \$(0.2) million for the three-month period ended March 31, 2025. As discussed above, the faster the origination volume grows, the larger the non-cash impact will be on provision for loan losses and other liabilities and consequently EBITDA¹ as well as net income on an after-tax basis. Management includes an Adjusted EBITDA¹ as well as an Adjusted Net Income¹ metric in order to present supplemental financial metrics that we believe are more indicative of the actual portfolio credit and overall Company performance.

(1) See “Non-IFRS Financial Measures and Industry Metrics”.



Notes:

- (1) All line of credit advances are aged from the date the line of credit is opened, as opposed to the age of each individual draw. In most instances, balances are drawn, repaid, and then drawn again over the life of the line of credit.
- (2) Materially all receivables aged 720+ days are line of credit advances from lines opened for more than 720 days. Management believes these older aged line of credit advances in Stage 1 will continue to perform equal to or better than the younger aged Stage 1 line of credit advances since they have demonstrated strong repayment behavior for longer, while remaining in Stage 1 (performing) status. Given the characteristics of the credit products offered through the Company's platform, including a mandatory principal repayment component on each scheduled payment, delinquent status (Stage 2) and non-performing status (Stage 3) loans have historically been identified shortly after a borrower is unable to repay. In addition, if a borrower has drawn up to its credit limit, they will be unable to draw any further until a principal repayment is collected. If the borrower does not pay any portion of the mandatory scheduled payment, the full principal balance outstanding is moved to delinquent status (Stage 2).

Capitalization of intangible assets

Internally developed intangible assets consist mainly of development costs related to the development of software. These costs are recognized as an intangible asset when the Company can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Management considers all appropriate facts and circumstances in making this assessment including historical experience, costs and anticipated future economic conditions. Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of the expected future benefit.

Future Changes in Accounting Policies

There are no significant updates to the future accounting developments disclosed in Note 4 of the Company's audited annual consolidated financial statements.

Related Party Transactions

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling activities of the entity, directly or indirectly, which includes all directors of the board and corporate officers.

Compensation expense for the Company's key management personnel is as follows:

	Three-months ended March 31,	
	2026	2025
Salaries	3,736,415	4,741,338
Share-based compensation	586,229	664,059
	4,322,644	5,405,397

Share Capital

As of March 31, 2026, the share capital consisted of (i) an unlimited number of common shares, of which 39,360,899 common shares were issued and outstanding, and (ii) an unlimited number of preferred shares, of which none were issued and outstanding. In addition, the Company has 258,450 restricted common share units, 35,100 deferred common share units and 2,864,391 options to acquire common shares issued and outstanding.

Normal Course Issuer Bid

On September 7, 2023, the Company announced the acceptance by the TSX of the Company's notice of intention to proceed with a NCIB (the "**2023 NCIB**"). Pursuant to the 2023 NCIB, the Company proposed to purchase, from time to time, up to an aggregate of 1,716,266 common shares being approximately 5% of Propel's public issued and outstanding common shares as of August 29, 2023. As at August 29, 2023, Propel had 34,325,320 common shares issued and outstanding, and the average daily trading volume for the six months prior to August 31, 2023, was 11,425. Under the 2023 NCIB, daily purchases were limited to 2,856 common shares, representing 25% of the average daily trading volume, other than block purchase exemptions. The purchases were permitted to commence on September 11, 2023 and terminated on September 10, 2024. The Company did not purchase and cancel any common shares under the 2023 NCIB.

On November 7, 2024, the Company renewed its NCIB (the "**2024 NCIB**"). Pursuant to the 2024 NCIB, the Company proposed to purchase, from time to time, up to an aggregate of 1,974,563 common shares representing approximately 10% of Propel's public float. As at October 30, 2024, Propel had 34,400,073 common shares issued

and outstanding, and the average daily trading volume for the six months prior to October 31, 2024, was 111,024. Under the 2024 NCIB, daily purchases were limited to 27,756 common shares, representing 25% of the average daily trading volume, other than block purchase exemptions. The purchases were permitted to commence on November 11, 2024, and terminated on November 10, 2025. Under its 2024 NCIB, the Company purchased and cancelled 15,000 common shares through open market purchases on the TSX at a volume weighted average price of C\$21.57 per common share for a total cost of approximately C\$324,000.

On November 12, 2025, the Company renewed its NCIB (the “**2025 NCIB**”). Pursuant to the 2025 NCIB, the Company proposed to purchase, from time to time, up to an aggregate 2,703,439 common shares representing approximately 10% of Propel’s public float. As at October 31, 2025, Propel had 39,354,219 common shares issued and outstanding, and the average daily trading volume for the six months prior to October 31, 2025, was 159,293. Under the 2025 NCIB, daily purchases will be limited to 39,823 common shares, representing 25% of the average trading volume, other than block purchase exemptions. The purchases were permitted to commence on November 14, 2025, and will terminate on November 13, 2026 or on such earlier date as the Company may complete its purchases pursuant to the 2025 NCIB. The 2025 NCIB will be conducted through facilities of the TSX or alternative trading systems, if eligible and will conform to their regulations. Purchases under the 2025 NCIB may be made by means of open market transactions, privately negotiated transactions or other such means as a security regulatory authority may permit. The price that Propel will pay for any Common Shares will be the market price of such shares at the time of acquisition, unless otherwise permitted under applicable rules.

For the three month period ended March 31, 2026, the Company purchased and cancelled 12,000 common shares under its 2025 NCIB through open market purchases on the TSX at a volume weighted average price of C\$18.48 per common share for a total cost of approximately C\$222,000.

Subsequent Events

On April 23, 2026, the Company fully repaid in full and terminated the MoneyKey Facility. The termination of this facility reflects the continued transition of originations from MoneyKey direct lending and CSO products to the MoneyKey Bank Service Program. This transition is consistent with the Company’s broader strategy to simplify its product structure, consolidate originations within scalable bank-partner programs, and enhance operational efficiency.

On April 28, 2026, the Company completed an amendment and upsize to its existing credit facility for its Fora line of business. The amendment increased the capacity of the credit facility to C\$40 million and reduced the interest rate by approximately 200 bps. The amended facility matures on May 30, 2028. The Company also pays an unused fee of 0.50% on unborrowed amounts.

Disclosure Controls & Procedures (“DCP”) and Internal Control Over Financial Reporting (“ICFR”)

Management is responsible for establishing and maintaining adequate DCP and ICFR, each as defined in National Instrument 52-109 – Certification of Disclosure in Issuers’ Annual and Interim Filings (“NI 52-109”).

Management, under supervision of, and with the participation of, the CEO and CFO, have designed and evaluated the Company’s DCP, as required in Canada by NI 52-109. Based on this evaluation, the CEO and CFO have concluded that the design of the system of the Company’s disclosure controls and procedures were effective as at March 31, 2026.

Although the Company’s disclosure controls and procedures were designed effectively as of March 31, 2026, there can be no assurance that the Company’s disclosure controls and procedures will detect or uncover all failures of persons within the Company to disclose material information otherwise required to be set forth in the Company’s regulatory filings.

There were no changes in the Company’s ICFR that occurred in the period ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, the Company’s ICFR.

Foreign exchange rates used in the USD to CAD conversion of per share amounts

2026	2025				2024		
Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
1.3717	1.3947	1.3773	1.3841	1.4352	1.3982	1.3641	1.3683

Three-months ended March 31, 2026	Three-months ended March 31, 2025
1.3717	1.4352

Additional Information

Additional information relating to the Company, including the Company’s AIF is available on SEDAR+ at www.sedarplus.ca. The Company’s Common Shares are listed for trading on the TSX under the symbol “PRL”