

Business Update & Appendix 4C – Q2 FY26

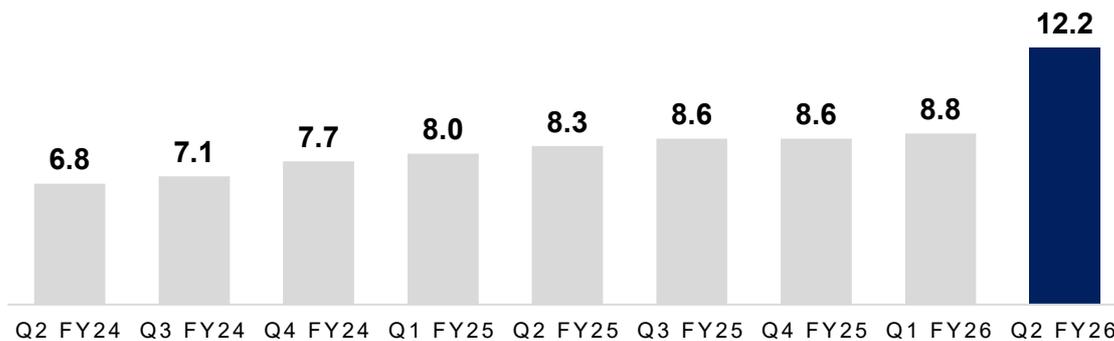
Key highlights

- **\$12.2m Total Group ARR in Q2 FY26, increasing 47% on pcp, including acquisition of Nexvia, which has significantly enhanced Felix’s long-term growth profile**
- **\$7.1m Enterprise ARR recorded in Q2 FY26, increasing 11% on pcp, underpinned by two new enterprise customers and one expansion deal**
- **Nexvia achieved record ARR of \$3.4m in Q2 FY26, up 13% on pcp, with integration progressing well and early revenue synergies emerging**
- **Vendor Marketplace grew to 126k Vendors at the close of Q2 FY26, up 9% from 115k in Q2 FY25, highlighting an expanding opportunity to transition vendors onto the Nexvia platform**
- **Progressed AI-driven feature development leveraging historical enterprise platform data to drive efficiency gains throughout the RFQ process**
- **Well capitalised with \$7.2m cash as at 31 December 2025, providing balance sheet strength and flexibility to pursue organic growth initiatives**

BRISBANE Australia, 30 January 2026: Felix Group Holdings Ltd (ASX:FLX) (“**Felix**” or the “**Company**”) is pleased to release its quarterly business update and Appendix 4C for the period ended 31 December 2025 (“**Q2 FY26**”).

Total Group ARR of \$12.2m in Q2 FY26, reflecting a 47% increase from \$8.3m in the prior corresponding quarter. Figure 1 highlights the step change in the revenue trajectory of Felix, underpinned by growth in Enterprise ARR and the acquisition of Nexvia. While the integration of Nexvia into Felix remains in the early stages following the acquisition in October 2025, Felix is focused on unlocking early revenue opportunities across the complimentary customer bases while progressing technical integration activities.

Figure 1. Group ARR including Nexvia (\$m)¹



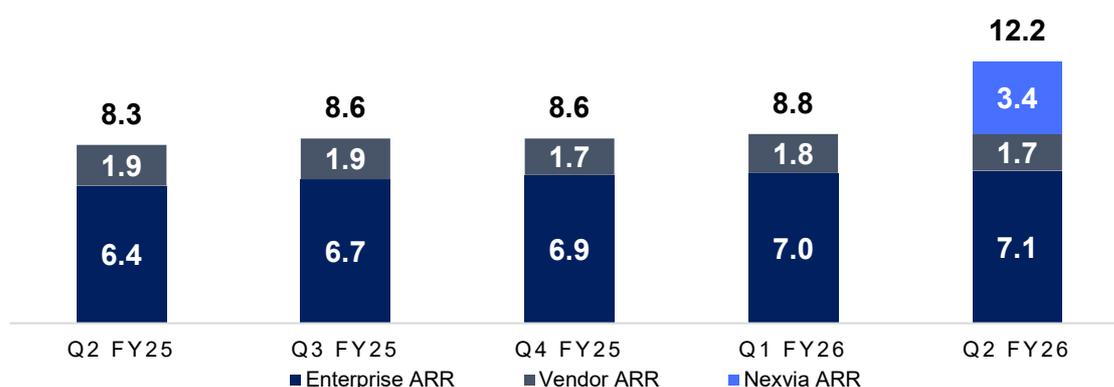
¹ Q2 FY26 figures include Nexvia results; prior periods exclude Nexvia, reflecting completion of the acquisition on 9 October 2025.

Felix's Interim CEO and CFO, James Frayne commented:

"It has been a busy quarter for Felix, marked by the successful acquisition of Nexvia. This transaction represents a meaningful step forward in our vendor monetisation strategy and further strengthens Felix's long-term growth outlook. Our focus is on accelerating Nexvia's sales momentum and completing the technical integration of the platform to unlock greater value for customers. In parallel, our enterprise platform and vendor marketplace continues to scale, and we are leveraging our expanding network to identify new opportunities for vendors to benefit from the Nexvia platform."

Felix's Enterprise ARR for Q2 FY26 was \$7.1m, increasing 11% on pcp, driven by two new contract wins and one contract expansion (refer to Figure 2). This result was slightly offset by the churn of a local council customer outside of Felix's core focus, resulting in a (\$35k) impact to ARR. Felix reported Enterprise Net Revenue Retention (NRR) of 101% as at the close of Q2 FY26. Felix's Vendor Marketplace achieved ARR of \$1.7m, declining 11% on pcp and broadly in line with Q1 FY26. Nexvia recorded \$3.4m ARR in Q2 FY25, increasing 13% on pcp, driven by growth in customers. Nexvia's NRR also rose to 99% in the quarter, representing an increase of by 2.5% on pcp.

Figure 2. ARR profile by segment (\$m)¹



New enterprise customer contracts and expansion

During the quarter Felix secured a new international customer, signing a 3-year contract with the Middle Eastern division of a global construction and infrastructure contractor to license Felix's full suite of modules, generating \$75K ARR. The platform will be deployed across the contractor's infrastructure and construction projects, supporting a scaling Vendor Marketplace, with a clear pathway to expand into a broader enterprise-wide agreement across the contractor's global operations (~15,000 employees) once value is demonstrated. Following recent client acquisitions in Canada and South Africa, this contract validates Felix's capital-light expansion strategy, the international readiness of the platform and ability to generate value for global enterprises.

A new contract was also signed during the quarter with Pacific Energy, an Australian remote energy provider that designs, builds, owns and operates off-grid and hybrid power generation systems for the resources sector and regional and remote communities. The business will license Felix's Vendor Management, Sourcing and Contracts modules, generating \$55k in ARR.

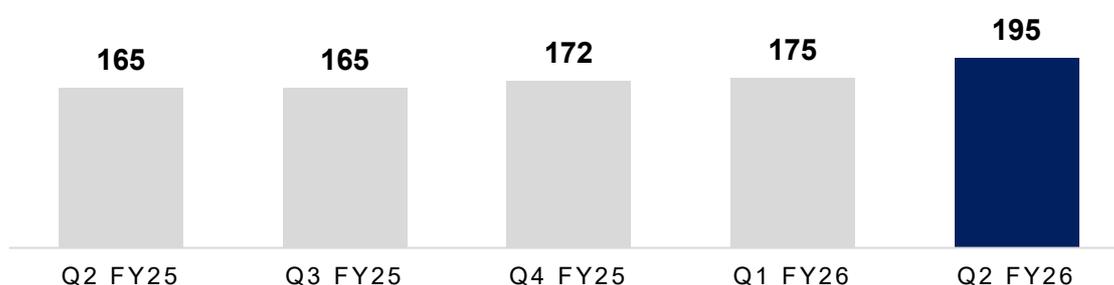
During the quarter, Felix secured a contract expansion with Martinus, a leading Australian rail infrastructure services group. This expansion included the addition of the Contracts module and an increase in the number of users, generating an additional \$19k in ARR.

Completion of Nexvia acquisition

During the quarter, Felix completed the acquisition of Nexvia, with all conditions satisfied and settlement occurring on 9 October 2025, representing a significant milestone in accelerating Felix’s vendor monetisation strategy. Integration initiatives are on track, with an initial focus on refining Nexvia’s sales methodology and cadence. Additional customer, sales and marketing resources will transition to Nexvia in Q3 FY26 to support its product-led growth strategy and enable deeper integration between the Felix and Nexvia platforms.

Nexvia recorded its highest ever monthly recurring revenue (MRR) in its history in December 2025, reaching \$282k, representing an increase of 13% on pcp. This result was particularly notable result given December is typically one of the seasonally quieter months of the year. The strong result was supported by the conversion of existing Felix Vendor Marketplace customers onto the Nexvia platform, providing early validation of the potential to monetise Felix’s existing network of vendors.

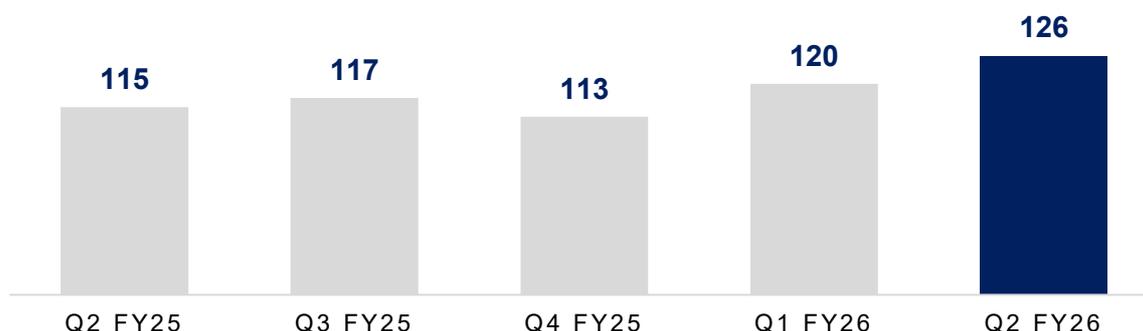
Figure 3. Number of Nexvia customers



Vendor Marketplace continues to scale

Felix recorded 126,031 Vendors in the Vendor Marketplace in Q2 FY26, reflecting a 9% increase on the prior corresponding quarter (refer to Figure 4). The acquisition of Nexvia is a key milestone for Felix, which will accelerate monetisation of Felix’s Vendor Marketplace. Initially, Felix will target the subcontractor segment within the Vendor Marketplace.

Figure 4. Number of Vendors in the Vendor Marketplace ('000)



Platform enhancement updates

Felix has commenced a series of AI-powered product development initiatives aimed at unlocking greater value from the historical data captured on the platform and driving efficiency gains for Enterprise customers. Initial development is focused on the application of generative and predictive AI within the RFQ process to streamline and enhance the tender process. These features are expected to materially reduce the time required to evaluate, score, pre-

qualify and conduct risk assessments. AI-enabled functionality will be released progressively on a rolling basis over the coming quarters.

In addition, Felix delivered a series of platform enhancements focused on analytics, integrations and workflow efficiency. During the quarter, Felix released Felix Dashboards, providing procurement teams with instant, visual insight into their vendor base. The initial release focuses on Vendor Management and enables customers to better understand their vendor landscape, streamline onboarding workflows, strengthen ESG and sustainability reporting, and proactively manage compliance risks. The dashboards have seen strong early customer uptake and positive feedback. Felix also progressed key ecosystem integrations, with Pronto Xi delivering an ERP integration leveraging Felix's existing API endpoints, reflecting the strength of Felix's platform and partner strategy. In addition, enhancements to the Procurement Schedule API now allow customers to write data back into procurement schedules for the first time, improving automation and usability.

Key engagement metrics

New enterprise wins and continued uptake of Vendor Marketplace in enterprise workflows, including in international markets, have contributed to strong growth in key engagement metrics. These include for the quarter ending December 2025:

- Number of Active Projects: +23% pcp
- Requests for Quotations (RFQ) sent by enterprises: +41% pcp
- Total active Vendor Compliance Documents: +43% pcp
- Total enterprise User Accounts: +24% pcp

Corporate update

During the quarter, CEO and co-founder Mike Davis announced he would step down following the Company's AGM on 12 November 2025. CFO James Frayne was appointed Interim CEO while the Board undertakes a formal search for a permanent replacement, with Mr Davis remaining as an advisor to support the transition. Felix's Board expects to complete the CEO search within Q3 FY26.

Following the Company's AGM, Felix announced a Board leadership transition, with Chairman and Non-Executive Director Michael Bushby to resign effective 2 February 2026. Dominic O'Hanlon will be appointed as a Non-Executive Director and Chairman on the same date. Mr. O'Hanlon brings 30 years of experience across high growth technology companies, listed company governance, multinational organisations, strategy and go-to-market execution.

Felix reported receipts from customers of \$2.6m and net operating cash outflows of (\$2.4m) for the quarter ending 31 December 2025. Operating cash flows for the quarter were impacted by non-recurring, one-off costs of \$734k associated with Tranche 2 of the capital raising, acquisition costs and employee related expenses. Felix's balance sheet was strengthened during the quarter with the receipt of a FY25 R&D tax refund of \$548k. At the end of Q2 FY26 Felix held \$7.2m in cash and cash equivalents.

Payments totalling \$154k were made to related parties and associates for Directors' fees. These payments were included in cash flows from operating activities and cash flows from financial activities (item 6.1 in the below Appendix 4C).

Authorised for release by:

James Frayne
Interim CEO and CFO
Felix Group Holdings Ltd

For further information please contact:

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About Felix – see more at felix.net

Felix operates a cloud-based enterprise Software as a Service (SaaS) procurement management platform and vendor marketplace. Felix connects enterprises and third-party vendors by digitising, automating, and streamlining a range of critical procurement-related business processes – reducing supply chain risk and improving transparency and governance.



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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

FELIX GROUP HOLDINGS LIMITED

ABN

65 159 858 509

Quarter ended ("current quarter")

December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,561	4,885
1.2 Payments for		
(a) research and development	(373)	(620)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(203)	(319)
(d) leased assets	-	-
(e) staff costs	(3,788)	(6,059)
(f) administration and corporate costs	(1,111)	(2,067)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	49	64
1.5 Interest and other costs of finance paid	(33)	(33)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	548	548
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(2,350)	(3,601)

2. Cash flows from investing activities

2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses (net of cash acquired)	(5,745)	(5,745)
(c) property, plant and equipment	-	-
(d) investments (see section 7)	-	(147)
(e) intellectual property	(116)	(182)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material) – <i>payment for deposits held</i>	-	(450)
2.6	Net cash from / (used in) investing activities	(5,861)	(6,524)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10,600	16,490
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(771)	(1,107)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(118)	(131)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	(6)
3.10	Net cash from / (used in) financing activities	9,711	15,246

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,660	2,039
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,350)	(3,601)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,861)	(6,524)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,711	15,246
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,160	7,160

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,260	1,860
5.2	Call deposits	4,900	3,800
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,160	5,660

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	154
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

6.1. Consists of Director's fees, Managing Director's salary, superannuation and resignation payments.

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,350)
8.2 Cash and cash equivalents at quarter end (item 4.6)	7,160
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	7,160
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.04x
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2026

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.