ASX Announcement

31 August 2026

FY26 Results Announcement

# Novatti delivers $6.4m improvement in operations, inflects to positive EBITDA

## Highlights

- **EBITDA[1] of $2.0m**, a $6.5m YoY improvement
- **Net loss from operations of $0.2m,** a $6.4m YoY improvement, reflecting the earnings benefit from Novatti's strategic transformation
- **Underlying EBITDA[2] of -$2.7m,** a $4.4m YoY improvement
- **Group revenue of $29.9m**, following the strategic exit from non core and low-margin revenue streams
- **51% Gross Margin**, improved significantly YoY (FY25: 30%)
- Core **Payments AU/NZ** business is now the Group's largest contributor to revenue (+15% YoY), gross margin (+23% YoY) and direct EBITDA (+522% YoY)

**Novatti Group Limited (ASX:NOV)** (**Novatti** or **the Company**), a payments leader bridging traditional payments and regulated digital finance, is pleased to release its Appendix 4E (Preliminary Final Report) for the year ended 30 June 2026.

## Earnings turnaround now reflected in Full Year results

Novatti has delivered a significant improvement in earnings during FY26, with the ongoing benefits of the strategic transformation flowing through to the Company's full year financial performance.

Net loss from operations of $0.2 million was a $6.4 million improvement (FY25: -$6.6m) on the previous year, while Group EBITDA of $2.0 million was a $6.4 million improvement (FY25: -$4.4m). The improvement reflects the cumulative impact of strategic actions that began in FY24 to simplify the Group, focus on the core Payments AU/NZ business, upgrade technology platforms and exit revenue streams that were non-core, low margin or carried disproportionate risk.

The FY26 result represents an important transition for Novatti: with the restructuring largely completed the company is now focused on executing the vision of integrated

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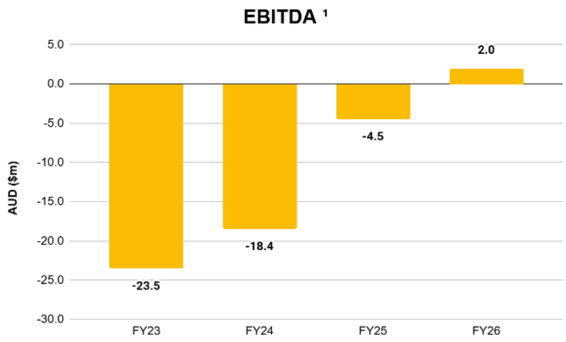
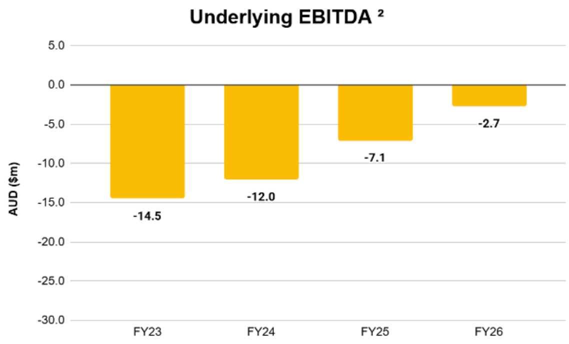
[1] EBITDA excludes non-cash entries as represented in Appendix 4E released 31 August 2026. EBITDA includes gains recognised from deconsolidation of AUDC Pty Ltd following loss of control on 12 September 2025.

[2] Underlying EBITDA is a non-IFRS measure calculated as profit before income tax, and before depreciation and amortisation, share based payments, net finance costs, due diligence costs, fair value movement on embedded derivative, restricting costs and discontinued operations. The Company considers this non-IFRS and operational measure useful for monitoring and understanding the Group's performance; however, it should not be considered in isolation or as a substitute for IFRS-compliant measures.

payments infrastructure and one regulated bridge across all forms of money to accelerate profitable growth.

Similarly, underlying EBITDA[2] of -$2.7 million was a $4.4 million improvement on FY25 (-$7.1m)[3] that reflects improvement in the underlying business and benefit from Novatti's strategic transformation.




**Commenting on the results, Novatti CEO Mark Healy said:**
"FY26 has been a defining year for Novatti. Having completed the fundamental work required to simplify and refocus the Group, we have now demonstrated the earnings benefit of those decisions through a material improvement in profitability.

"The $6.4 million improvement from operations and $6.5 million improvement in EBITDA demonstrate that Novatti is a fundamentally stronger business.

"We have streamlined the revenue base, upgraded our technology platform around the needs of customers and refocused the business on payments infrastructure where we see significant opportunities for scalable revenue, margin and earnings growth led by the Payments Acceptance and Card Issuing business lines.

"The momentum we saw through the second half of FY26, particularly across Payments AU/NZ, gives us confidence that the business is entering FY27 with a stronger foundation and a clear pathway to further growth."

## From turnaround to growth

The FY26 result demonstrates strong and consistent execution of the strategy initiated in FY24 and accelerated through FY25, centred around the three pillars of simplification, a market led customer focus and enhanced financial discipline. Highlights across FY26 include:

- exiting non-core, low-margin revenue;
- completing the sale of Emersion Systems for $0.5 million;
- completing the migration of Acquiring customers onto a new enhanced platform;
- improving the customer onboarding experience;
- returning the Payments AU/NZ business to a growth orientation;

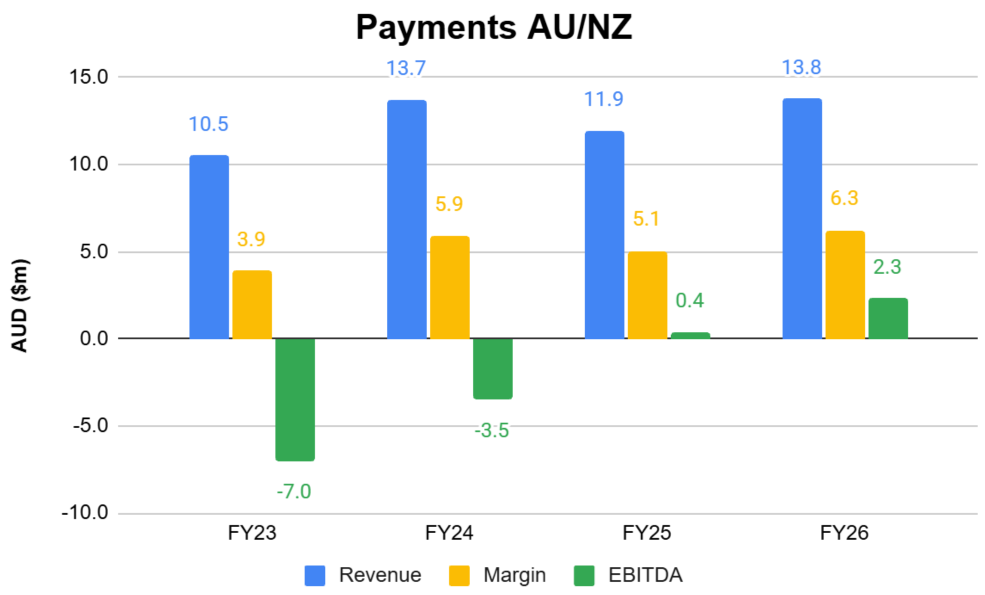
[3] A signage error in the FY25 Appendix 4E overstating gain on extinguishment of liability by $4m has been corrected in the FY26 Appendix 4E.

- expanded sales and marketing activity in Issuing and Acquiring; and
- focused capital on higher-margin payments infrastructure.

Group margin of 51% was a substantial improvement on 30% reporting in FY25, demonstrating the impact of moving away from revenue lines generating insufficient margin adjusted for risk, resource or cost of service compared to the core Payments AU/NZ business.

**Payments AU/NZ engine accelerates**

Payments AU/NZ continued to strengthen throughout FY26 and finished the year as Novatti's largest contributor to Group revenue, gross margin and direct EBITDA.




Across FY26, the core Payments AU/NZ, which is the focus of Novatti's strategy, delivered incremental organic growth across all key metrics:

- $13.8 million revenue, up 15% YoY;
- $6.3 million gross margin, up 23% YoY; and
- $2.3 million direct EBITDA[4], up 522% YoY.

The Issuing business demonstrated the effectiveness of Novatti's customer focused sales strategy, while the replatforming of the Acquiring business has established a foundation for further growth. Novatti is now replicating the commercial model that generated growth in Issuing across Acquiring, targeting businesses and distribution partners where Novatti's payment acceptance, card and digital payment capabilities can generate scalable transaction volumes.

The University of New South Wales (UNSW), as just one example, was signed in August 2025, onboarded to Novatti's Alipay integration by October 2025 and then live for payment

[4] Payments AU/NZ direct EBITDA excludes corporate costs

acceptance in November 2025. By July 2026, the UNSW integration had generated more than $60 million in GTV and over $0.9 million in revenue. Novatti is seeking to replicate this model across its Acquiring businesses, with multiple new customers progressing through implementation in retail, eCommerce, education and healthcare sectors.

**Stronger foundation for growth**

The financial transformation achieved in FY26 provides Novatti with a stronger foundation to pursue growth and create the leading Australasian hybrid payments infrastructure business, bridging traditional and new payment rails.

The Company finished the year with $3.1 million cash available at 30 June 2026, supplemented by the subsequent receipt of $1.2 million from the sale of 1,500,000 shares of AUDC Pty Ltd which was settled in July 2026 and not captured in the reporting period balance sheet as of 30 June 2026.

The AUDC transaction enabled Novatti to realise part of the value created through its incubation of AUDC while retaining 18,500,000 shares that will provide exposure to growth in the AUDD stablecoin as adoption increases.

**Ends**

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**About Novatti Group Limited (ASX:NOV)**
Novatti is a payments leader bridging traditional payments and regulated digital finance. Established in 1995, Novatti provides a single destination for all payment needs in a fast-changing, digital world. From fintechs to corporates, Novatti simplifies and supports our customer payment needs through tailored online, in person, international and card solutions

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