

ASX Announcement

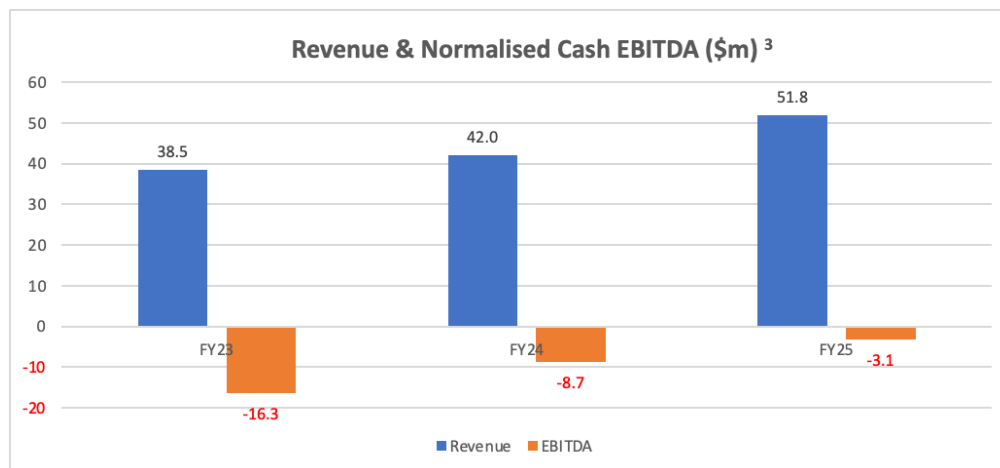
29 August 2025

Novatti FY25 Results Announcement and Appendix 4E¹

Turnaround benefits embedded enabling pivot back to growth

Highlights

- FY25 highlights pivot back to growth as turnaround benefits starts to compound
- Record \$51.8m annual revenue (+23.3% YoY) with forward high-margin strategy²
- 65% YoY improvement in underlying EBITDA, with reduced loss of \$3.1m³
- 48% drop in H2 cash use compared to H1 FY25 – highlighting embedded turnaround
- Streamlining of business with closure and sale of non-core assets and entities



Novatti Group Limited (ASX: NOV) (Novatti or the Company), a leading fintech enabling businesses to pay and be paid, has released its Appendix 4E (Preliminary Final Report) for the year ended 30 June 2025.

Commenting on the results, Novatti CEO, Mark Healy, said:

“At the conclusion of FY24, I flagged that the impacts of Novatti’s turnaround strategy would start to flow across FY25. I’m pleased to report that this is what we have delivered in Novatti’s FY25 results.”

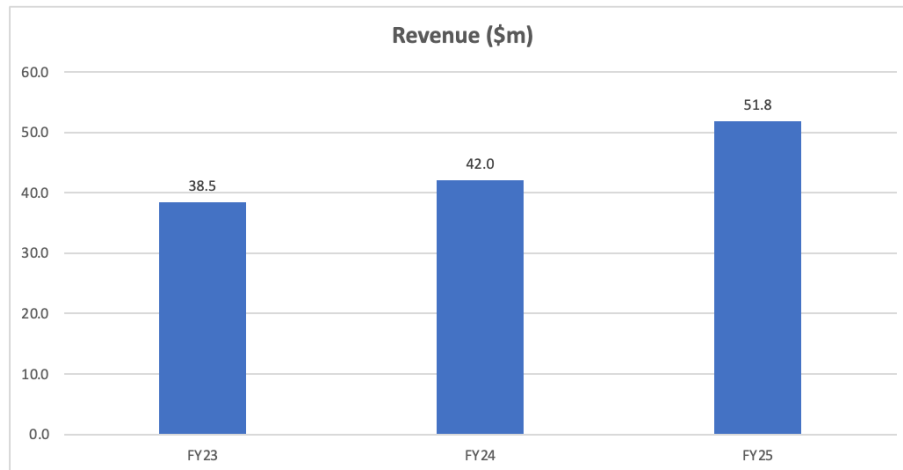
¹ All figures throughout this document related to FY25 remain unaudited unless stated otherwise.

² Revenue excludes IBoA and AUDC and reflects interperiod restatements and includes revenue from Emersion which is held as an asset for sale.

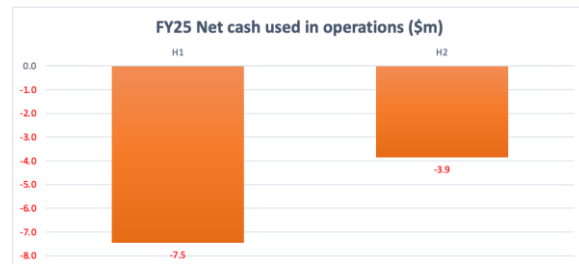
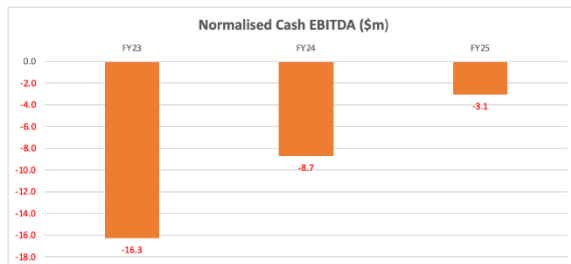
³ Underlying EBITDA is a non-IFRS measure defined as profit before income tax, excluding depreciation and amortisation, share-based payments, net finance costs, due diligence costs, fair value movements on embedded derivatives, and is normalised for restructuring costs, strategic investments, prior period adjustments and IBoA and AUDC. 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.

Key Operational Achievements:

Novatti's FY25 revenue reached \$51.8m, an increase of 23.3% on FY24.⁴ While this is the strongest result ever, moving forward the focus continues to be reforming and adjusting Novatti's revenue base to exit high-cost, complex, or low margin business lines to align with the Company's long term financial goals.



Normalised cash EBITDA improved by 65% YoY, with a reduced loss of \$3.1m.⁵ Notably, overall cash use improved substantially, with a 48% drop in H2 cash use compared to H1 FY25, again highlighting the compounding benefits of the turnaround in the second half of the year. These results continue to be aided by Novatti's cost reduction efforts and focus on revenue base reform, including to strengthen margins. At the end of FY25, Novatti held \$2.5m in cash.



With Novatti's brand refresh completed in Q3 FY25, the Company was able to align its value proposition in the core AU/NZ market. The refresh had the desired effect, with positive customer and market feedback through clarity of messaging and offering, resulting in new sources of inbound leads, particularly in high margin services such as card issuing. Novatti's sales team has been able to leverage this clearer value proposition to accelerate the pursuit of larger commercial opportunities.

Notable commercial deals across FY25 included:

⁴ See footnote 2.

⁵ See footnote 3.

- Winning a contract to enhance the voucher payment offering of a major Asian-based global airline, upgrading to a digital solution to improve their customer experience
- A tier one Australian telco renewing a multi-year service agreement
- Extending card issuing services into New Zealand for a global fintech customer
- International tuition payments for a major New South Wales university being enabled
- ChinaPayments going live in New Zealand and being used to process payments from Asia wallets for a large university accommodation provider
- A leading accounting services firm extending their Australian card issuing program via Novatti into New Zealand

Commenting further, Novatti CEO, Mark Healy, said:

“The cumulative impact of many individual initiatives, implemented as part of our turnaround strategy, are now starting to compound and flow positively through to Novatti’s results, particularly across the second half of FY25. As a start, FY25 revenue increased 23.3% YoY to \$51.8m, the strongest ever result.⁶ Novatti’s underlying EBITDA improved by 65% YoY, with a reduced loss of \$3.1m.⁷ Further, we ultimately saw cash use drop 48% in H2 compared to H1, again highlighting the compounding positive impact of the turnaround strategy in the second half.

“These results follow the continued execution of our turnaround strategy, with initiatives undertaken in FY25 designed to deepen the turnaround commenced in FY24. For example, we continued to streamline the business, including the sale or exit of non-core assets and entities, such as the sale of Novatti’s interest in the International Bank of Australia for \$2.87m, while also bringing the focus back to the core AU/NZ market, as highlighted through Emersion’s exit from the US market.

“We continued to reform and adjust our revenue base to exit high-cost, complex, or low margin business lines, to ensure the business aligns to our long-term financial targets. This included the exit from wholesale cross border services that, despite their historical revenue contribution, were high-cost and low-margin.

“With the substantial progress being made and key inflection points reached, we used Q4 FY25 to pivot the business back to growth. We sharpened our sales drive with a focus on pursuing larger opportunities, leveraged our brand refresh and initiated several project investments to pursue scale opportunities. This approach has resulted in a number of commercial wins across the year, including an extension of card issuing services into New Zealand for a global fintech customer and winning a contract to enhance the voucher payment offering of a major Asian-based global airline.

“We also added to our leadership team by bringing on Hayden Vowell as CFO in Q4 FY25, who brings 15 years of experience in high-growth businesses across software, retail and technology. We also strengthened our Finance function more broadly, including a new Group Financial Controller alongside other roles.

“Novatti’s FY25 results are a reflection of our steadfast commitment to delivering our turnaround strategy. Particularly in the second half of FY25, we can see the positive impacts of this turnaround starting to compound, including across the strengthened

⁶ See footnote 2.

⁷ See footnote 3.

revenue base and cash use. On the back of these results, we are excited for FY26 as Novatti pivots back to growth.”

Investments and business portfolio

AUDC continued to strengthen its service and business across the year to position as the leading AUD-backed stablecoin. Its business continued to expand, driven by growth in stablecoin issuance, institutional partnerships, and on-chain transaction volumes. This growth comes at a time when global trends, including Circle’s IPO, and the GENIUS Act in the US, continue to accelerate market and regulatory endorsement of stablecoins.

Delivery of AUDC’s strategy culminated in it closing a seed round after the completion of FY25, successfully raising \$1.2m.⁸ Following this successful seed round, Novatti’s 57% interest in AUDC is valued at \$7m. Novatti maintains no obligation to contribute additional capital to AUDC while retaining exposure to AUDC’s upside potential.

More broadly, Novatti continued its efforts to streamline the business across the year, including exiting or divesting interests not aligned to Novatti’s long term financial goals. This included:

- Selling its interest in International Bank of Australia for \$2.87m, saving considerable cash use
- Emersion exiting the US market
- Closure of several entities in Europe and Malaysia that are no longer required to support Novatti’s international payments services in these regions

Corporate

In Q2 FY25, Novatti raised approx. \$7m through a partially underwritten capital raising comprising a placement to professional and sophisticated investors and a pro-rata 1 for 3 non-renounceable entitlement offer to eligible shareholders of fully paid ordinary shares in the Company, resulting in a total of 175,800,067 shares and 231,040,087 options (6.4 cents, 31-Dec-27) being issued. In addition, the Company issued a further 9,295,492 shares and 9,295,492 options to holders of existing convertible notes (that were issued by the Company in early 2024) who accepted a matching incentive offer to convert their notes early.

Proceeds from the capital raising were allocated to strengthening Novatti’s balance sheet through the repayment of legacy liabilities while also implementing several initiatives ahead of Novatti’s pivot back to growth.

This announcement has been approved for release by Mark Healy, CEO and the Board.

Ends

Novatti invites investors to keep up-to-date with company news, events and industry research by joining the Novatti mailing list at <https://www.novatti.com/subscribe>

⁸ See ASX Release: AUDC closes seed round – Novatti’s interest valued at A\$7 million – 14 August 2025

Investors can view all Novatti announcements at: <https://www.novatti.com/asx-announcements>

For further information, contact:

Mark Healy
CEO
Novatti Group Limited
investorrelations@novatti.com

About Novatti Group Limited (ASX:NOV)

Novatti is a leading Australian payments company. 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.

Important Notices

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Novatti operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside of Novatti's control. Novatti does not undertake any obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of Novatti, its directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this announcement reflect views held only as at the date of this announcement. This announcement is not an offer, invitation or recommendation to subscribe for, or purchase, securities by Novatti.