

H1 FY2026 Results

EPX Limited (**ASX: EPX**) (EPX or the 'Company') wishes to advise it has released its results for the six-month period ended 31 December 2025.

HIGHLIGHTS

- **Annual Contract Value (ACV) up 10.4%** to \$18.6m on the prior corresponding period.
- **Annual Recurring Revenue (ARR) up 19.3%** to \$16.7m, on the prior corresponding period.
- **Recurring revenue is 97%** of total revenue.
- **Underlying EBITDA loss** (\$0.4m) as the business continued to transform and invest for growth, both organic and M&A.
- **Cash outflow from operations was (\$1.1m)**, attributable mainly to \$0.7m in delayed timing of debtor cash receipts.
- **Successful acquisition of Wattwatchers**, targeting \$2-3m in ARR.
- **Successful completion of placement and security purchase plan** raising \$2.4m.

ANNUAL CONTRACT VALUE (ACV)¹ AND ANNUAL RECURRING REVENUE (ARR)²

ACV reflects potential future contracted recurring revenue. During H1 FY26, EPX has been successful in new contract wins, both from existing and new customers, including:

- FirstGroup PLC related entity Great Western Railway – Successful tender win to renew the ongoing monitoring of over 190 rail station sites throughout the UK, with an uplift in ACV by A\$0.4m, from \$0.4m to \$0.8m.
- New Customer ACV in the UAE as previously announced to the ASX³, with 10 hospitals in the region, partnering with a leading specialised healthcare organisation, adding ACV of circa A\$0.7m.
- Additional revenue from a new 10+ site retail portfolio in Australia of circa \$0.1m.

The growth in ACV for six months from June 2025 to December 2025 was a net increase of \$1.0m, compared to the same period in FY25 of \$0.8m, being a 50% improvement for the same period. EPX continue to showcase the capability of the EDGE platform and are

¹ ACV is defined as the annualized revenue and fee potential under all contracts on hand at each period end. ACV includes potential annual revenue from both installed and billable contracts (ARR) and recently won contracts yet to be installed and billed. ACV is calculated into Australian dollars based on historical long term exchange rates. On conversion to actual cashflow and/or ARR, the exchange rate prevailing at the time of billing may be higher or lower to the historical long term average exchange rates used to determine the ACV value and the recurring revenue amount may also vary. ACV is an indication of potential future revenue and is predictive in character, may be affected by inaccurate assumptions or by known or unknown risks and uncertainties and may differ materially from results ultimately achieved through ARR.

² ARR is defined as the recurring annualized contract revenue that has been installed and is currently being invoiced to customers.

³ ASX Release of 11 September 2025 "EPX secures \$5+million seven year new contract".

targeting portfolio wide owners that are focussed on both reducing CO2e from their property portfolio, whilst also seeking to improve the value of their asset.

ARR Increased 19.3% from pcp. For the six months from 1 July 2025 to 31 December 2025, ARR increased from \$15.5m (June 2025) to \$16.7m, a nett increase of \$1.2m (or 8%). This is higher than the \$0.4m increase for the same time frame for the period between June 2024 to December 2024. ARR increases as ACV is converted to billable revenue, once installation is successfully completed. Installation time frames continue to meet EPX's internal target of 90 days or less.

H1 FY26 RESULTS SUMMARY

Underlying EBITDA for H1 FY26 was a loss of (\$0.4m), due to timing of new ACV wins converting to ARR and targeted investment in growth initiatives, as outlined below:

- Timing of the conversion of new contracted ARR (up 19%) into EPX Statutory Recurring Revenue customer billing (up 10%). We expect this to contribute to the second half of the financial year;
- \$0.3m invested in targeted growth initiatives, through rebranding the organisation, investing in the integration of the acquired Coda technology with EPX's EDGE technology and re-aligning FTE costs to invest in sales and product functions. This included hiring a UK Chief Sales Officer, a senior sales executive UK and an additional marketing resource. The product development team was increased by one (1) FTE.
- These are seen as key appointments to continue to build the sales pipeline and drive further growth in future ARR.

\$'000	Consolidated		
	Dec-25	Dec-24	Change
Recurring revenue - continuing	7,650	6,953	10.0%
Revenue	7,863	7,539	4.3%
Net Loss After Tax	(2,633)	(1,685)	
Interest, taxation and depreciation	1,839	1,552	
EBITDA	(794)	(133)	
(Less): Recovery of previously provided for receivables	(150)	(83)	
Add: Option and performance rights costs	198	5	
Add: Acquisition, restructuring	365	191	
Underlying EBITDA	(381)	(20)	

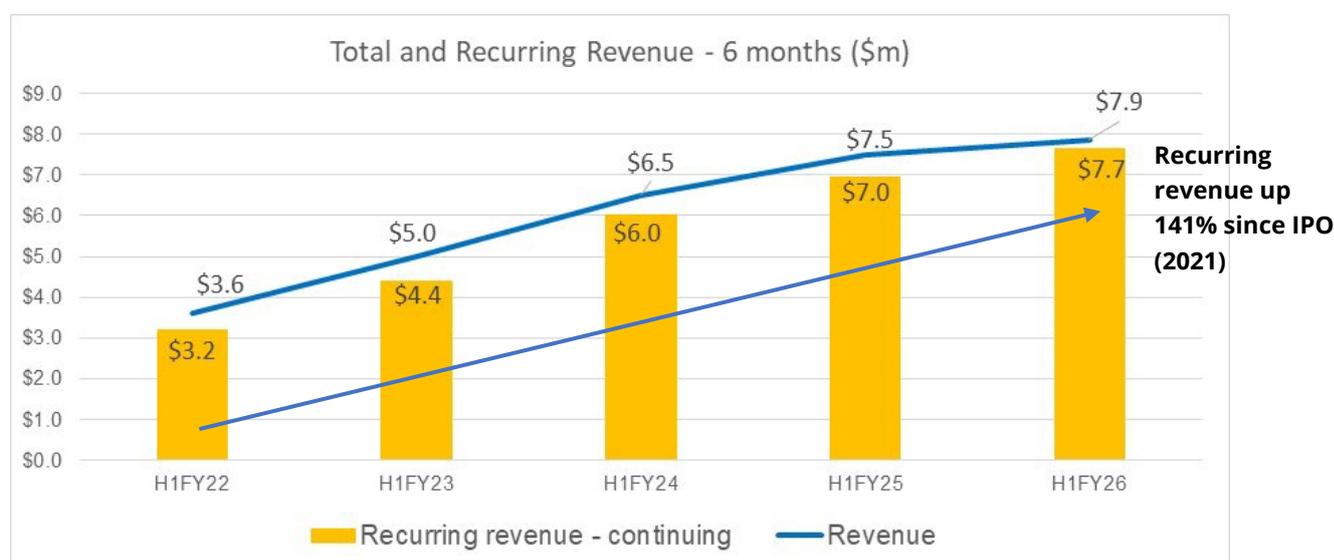
H1 FY26 STATUTORY REVENUE

Total Statutory Revenue increased by 4.3% to \$7.9m. Statutory Recurring revenue continues to represent over 90% of Total Revenue and grew by 10.0% to \$7.7m over the prior corresponding period.

	Consolidated		
\$'000	Dec-25	Dec-24	Change
Recurring Revenue	7,650	6,953	10%
Projects Revenue	213	112	90%
Other Revenue (includes any UAE court case recoveries)	-	471	n/a
Total Revenue	7,863	7,536	4%
Recurring/ Non-Recurring	97%	98%	

Non-recurring (project) revenue mainly arises from the existing customer base. It is predominantly installation of enabling hardware for customers not connected to the ongoing recurring data-as-a-service business. Project revenue will fluctuate year on year and is only undertaken for existing customers.

Statutory Recurring Revenue and Total Revenue continue to grow as shown below:



H1 FY26 Statutory Expenses

Total underlying operating expenses for the period to 31 December 2025 increased 7% to \$7.7m. The primary growth in underlying operating expenses arose due to:

- \$0.3m increase in Commissions and Bonuses, driven by sales success and staff achievement of KPI's. EPX is seeking to move away from consistent salary

increases (subject to market conditions) and introduce a more success-based culture in the organisation to drive future growth; and

- \$0.3m in Salaries and Wages (an increase of 5%) which will be reduced in H2, due to the exiting of certain staff as outlined in the Interim Financial Report.

Overall FTE remain at 71FTE, consistent to pcp, with five (5) additional FTE added through the acquisition of Wattwatchers Pty Limited on 18 December 2025⁴, giving a total FTE as at 31 December 2025 of 76FTE.

EPX continues to manage the largest element of the cost base through directing salary costs to those areas that drive future growth. In addition, management is introducing a performance-based remuneration structure to senior and middle management to better align outcomes to compensation. Further analysis is provided below:

- In the period to 31 December 2025, FY25 STI for the executive management team was \$0.2m and is to be paid in a mixture of cash and scrip.
- Impacting Salary Cost for the H1 FY26, were exit costs associated with seeking to re-align the resource base to target sales and customer experience activities, requiring restructure costs associated with exiting FTE in UAE (2 FTEs), UK (2 FTEs) and Australia (2 FTEs).

Other expenses were down by 5%, to \$2.3m. This was driven by the closure of the Sydney warehouse, with all activities centralised in our UAE premises, negotiated lower rent for the London office and savings in cost categories such as insurances and general other costs.

The business continues to drive efficiencies wherever possible and constantly looks to improve costs, evidenced by continuing to grow revenue, but keeping FTE consistent to the prior period.

Other categories of cost include:

- Depreciation and amortisation increased \$0.2m (16%) due to the growth in revenue and the associated installed enabling hardware on customer premises. This hardware is critical to the delivery of accurate and reconcilable energy usage data. It is with this data accuracy EPX can continue to offer and deliver significant guaranteed savings for customers. Note that hardware installations are only required on new first term contracts.
- Impairment reversal reflects the recovery in this period of prior expected credit losses (doubtful debts). Doubtful debtors relate to the UAE given the prior history of the Company in collecting some UAE based receivables. This has improved in recent years, and at times EPX needs to take a protracted legal process. Over the

⁴ As per ASX Release on 18 December 2025.

last 5 years EPX has taken three customers to court for non-payment. In each case the Courts ruled in favour of EPX, and all customers paid their outstanding invoices.

Consolidated			
\$'000	Dec-25	Dec-24	Change
Salary and wages	(5,015)	(4,757)	5%
Sales commission, incentives	(421)	(125)	
Share base remuneration	(198)	(6)	
Other	(667)	(577)	
Employee benefits and expenses	(6,301)	(5,465)	15%
Other Expenses	(2,261)	(2,374)	-5%
Total Operating Expenses	(8,562)	(7,839)	9%
Acquisition / restructuring	365	191	
Share based payments	198	5	
Other income/cost recovering	273	398	
Underlying Operating Expenses	(7,726)	(7,245)	7%

H1 FY26 OPERATING CASH FLOW

Operating Cash flow for the half year ended 31 December 2025 was behind expectations at negative (\$1.1m). Operating Cashflow was impacted in H1 FY26 by the timing of the collection of certain items of revenue receipts, as per below:

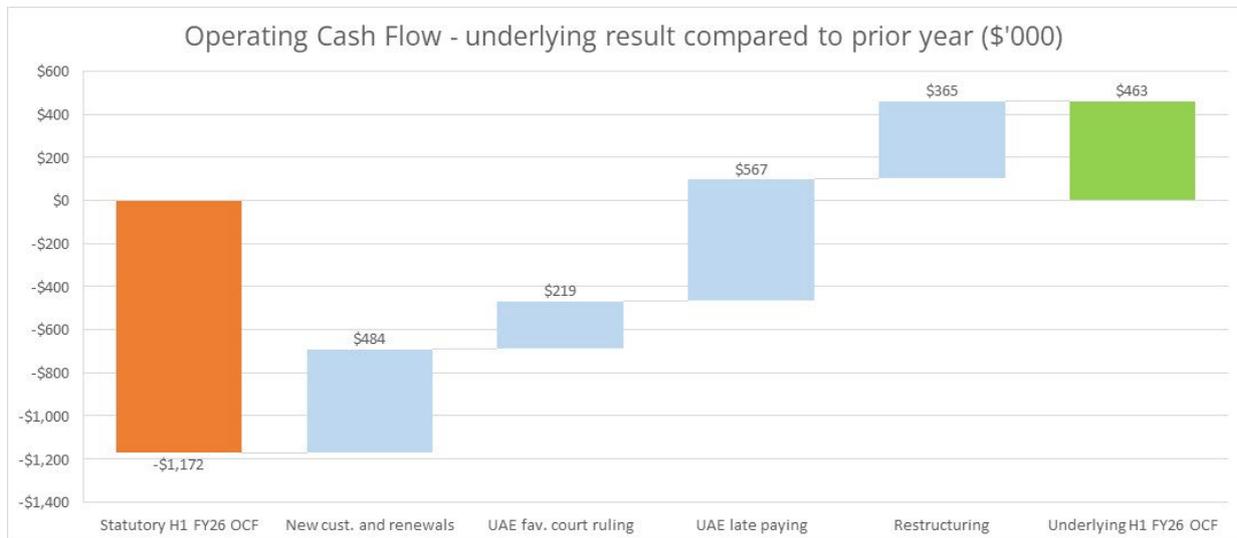
- \$0.7m in timing delays in revenue receipts which are anticipated to flow during the second half of FY26, being:
 - New contract with a major global facility manager first invoice receipts deferred until March 2026 (\$0.3m). There is no dispute to the invoices, and receipts have started to flow and are anticipated to be cleared by March 2026;
 - Customer renewals (now renewed), subject to catch up invoicing (total \$0.2m). The orders have been renewing, and these receipts are anticipated during the second half of FY26; and
 - UAE court judgement in EPX favour \$0.2m. The UAE court confirmed, based on an independent expert, the outstanding revenue is payable. Receipt is expected during H2 FY26.

- \$0.5m in two UAE based customers who usually pay regularly, but which withheld payments leading to 31 December 2025. The revenue is not in dispute, and both entities have since confirmed payment, with the timing of payments being finalised.

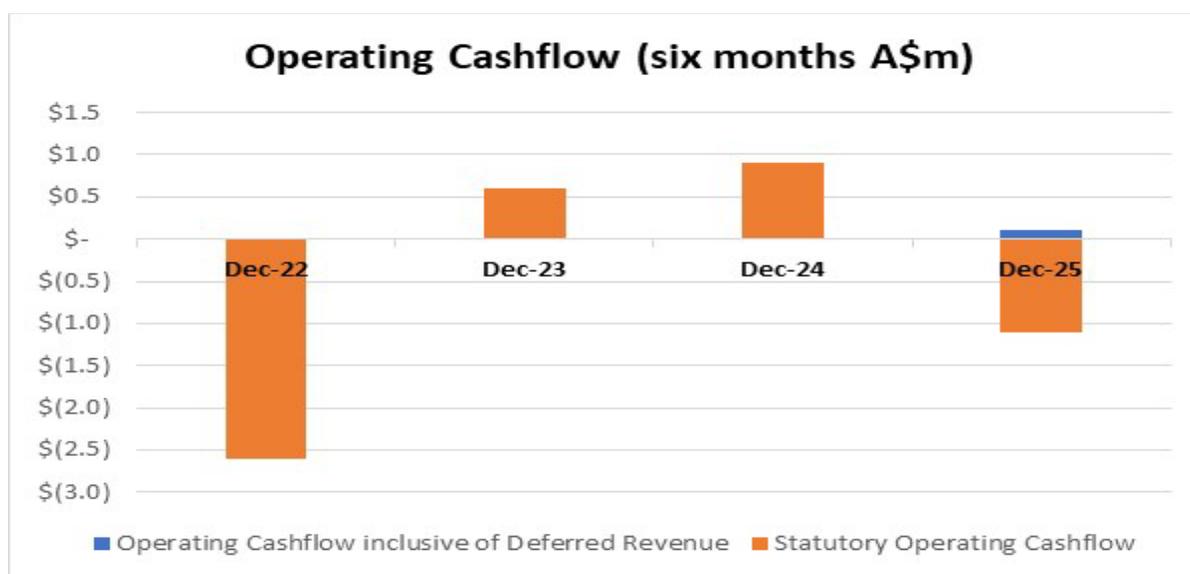
In addition, during the half, EPX did undertake certain investments as outlined earlier, necessitating it to incur what are considered one-off, but required changes to the business to continue to invest in the sales and customer experience capability of the business, with the following cash impact:

- \$0.4m in Non-recurring spend on exiting staff, including exit of the former Founder/CTO as well as legal fees to acquire Wattwatchers.
- \$0.1m in legal fees on pursuing non-paying UAE customers.

Provided below is a reconciliation of the above items to the H1 FY26 Operating cash flow:



The graph below shows Operating Cashflow and the impact of the receipt of the deferred revenue receipts only:



ACQUISITION OF WATTWATCHERS

On 18th December 2025 EPX acquired Wattwatchers Pty Limited, an Australian company that provides real-time energy data and monitoring solutions to the commercial and household markets via its proprietary enterprise grade monitoring hardware and platform.

The business was acquired for a total of \$1.0m, of which \$0.55m will be settled in cash and the balance in scrip. Annual revenue is estimated at between \$2.0m to \$3.0m for commercial and wholesale customers (FY25 total revenue was \$5.3m including residential customers) representing 0.33x to 0.5x total revenue acquisition multiple.

EPX Chief Financial Officer, Patrick Harsas said *“This period to 31 December 2025 has been a period of aligning the business to better meet our customer needs, now with an expanded capability. Key new hires were brought into the business, with controlled spend in the business designed to accelerate growth in future periods. The EPX product offering is now broader, and we are starting to see new revenue streams and being able to engage with new market verticals.*

The operating cash outflow for the business during this first half period was below expectations due to timing matters delaying normal customer receipts. The UAE has traditionally been a high margin market but with a lumpy payment profile. The two entities to which we are exposed, we are comfortable with recoverability.

Looking forward, EPX will pursue growth but with a focus to EBITDA positivity as soon as possible. The GWR tender renewal win, against other platforms in the UK, with an increased ACV, does showcase EPX's capability in its core verticals. The acquisition of Wattwatchers further strengthens this capability and provides operating efficiency opportunities to continue to reduce the time to cash".

H1 FY26 RESULTS WEBINAR

EPX's CEO and CFO will be holding a Webinar of the H1 FY26 results on Thursday, 19 March 2026, at 2pm Australian Eastern Daylight Time (AEDT). Details will be released shortly to the ASX with respect to log in details to connect to the Webinar.

This announcement has been authorised for release to the ASX by the Board of EPX.

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About epx

EPX, the most trusted building efficiency platform provider, is a data as a service platform that delivers sector leading cost and energy efficiency in buildings. EPX is a global leader in reducing energy costs and delivering energy efficiency in the built environment.

EPX's proven proprietary EDGE and EDGE Industrial cloud technology delivers energy cost and GHG emissions reduction in commercial real estate with control capability to manage critical energy and infrastructure assets. It is a data repository collecting and analysing more than 5.6 billion points of data per annum with proprietary algorithmic analysis and machine learning.

Our EDGE platform collects BMS, metering and broad operational data from 700+ buildings, 7.5+ million sqm portfolio, in over 25 countries. It accurately identifies operational inefficiencies, building performance and maintenance improvements and CO2e reduction opportunities and provides auditable insights that on average deliver 21% reduction in energy consumption. It is rapidly deployable and able to deliver immediate visibility and automation without full system overhauls.

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