

COSOL posts \$7.9m net profit – signals organic growth, margin expansion in FY26

FY25 Highlights

- Revenue up 14.6% at \$116.8m, organic revenue growth of 10.7%
- Underlying EBITDAⁱ up 7.2% to \$16.8m, at 14.4% margin
- Statutory EBITDA up 5.0% to \$15.8m
- Underlying NPATAⁱⁱ up 3.4% to \$9.9m
- Statutory NPAT down 7.3% to \$7.9m
- Basic EPS 4.39 cents per share
- Final dividend of 1.168 cents per share, for a full year distribution of 2.168 cents fully franked
- Expecting high single digit revenue growth and margin expansion in FY26

Brisbane, 20 August 2025 – COSOL Limited (COSOL, ASX: COS) announces a full year net profit of \$7.9m for the 12 months to 30 June 2025 on the back of record revenue of \$116.8m.

Revenue rose 14.6% to \$116.8m during FY25 fuelled by organic growth (up 10.7% on the previous year) and first contributions from data analytics group Toustone, acquired in December 2024.

Pressure on operating margins slowed growth in earnings during the period, with statutory EBITDA up 5.0% at \$15.8m and underlying EBITDA up 7.2% at \$16.8m.

Underlying earnings per share were 4.78 cents (down 9%) and statutory EPS 4.39 cents (down 12%). A final dividend of 1.168 cents has been declared, bringing the full year distribution to 2.168 cents per share (2.385 cents in the previous year).

This payment is consistent with COSOL's current dividend policy of a payout ratio of 50% of NPAT. As part of its capital management strategy, COSOL is adjusting its dividend payout ratio to 40% of NPAT in future years, so as to retain more earnings to support continued investment in our AI and digital transformation capabilities.

Pleasingly, net operating cash flow (excluding tax, interest and other cash flows) increased by 17.2% to \$13.4m (\$11.5m in the previous year) and cash conversion rose by 8.8 points to 85.1%.

Managing Director Scott McGowan said that notwithstanding the tighter margins, the results demonstrated COSOL was a fast-growing, strongly profitable business that is well supported by loyal, blue chip customers.

"FY25 was a year of mixed fortunes for COSOL where we demonstrated customer demand for our unique digital transformation offer and grew revenue strongly but where we also experienced pressures from operating in a high growth environment," said Mr Gowan.

"The slower growth in earnings was disappointing to COSOL and to our investors, and we have taken decisive steps to ensure earnings growth grows in line with revenue growth in FY26 and beyond.

“We have demonstrated there is growing demand from major, blue chip customers for what COSOL can deliver with digital transformation of asset networks, especially through deployment of AI and data analytics.

“FY26 will see this growth in higher margin revenue translate into improved broader operating margins, with the flow on effect on materially improved profitability.”

For FY26, COSOL is expecting high single digit revenue growth, almost entirely driven by organic growth from existing operations but also including the first full year contribution from Toustone.

As previously reported, COSOL statutory EBITDA and earnings per share are each expected to experience strong double-digit growth in FY26.

Underpinning the focus on margin protection and expansion, is a reorganisation of senior executive roles, with Chief Financial Officer Anthony Stokes having expanded operational responsibilities, with more direct, hands-on role in the operations of the COSOL business.

This means additional emphasis on maximisation of profitability in our high growth environment.

Aside from his role as Chief Executive Officer, Mr McGowan’s major focus will be on the delivery of COSOL’s strategy and client solutions, and leveraging the Company’s integrated capabilities and the roll out of our volume-to-value approach.

Mr McGowan said the acquisition of Toustone during FY25 was key to COSOL’s strategy of assembling capabilities that allowed the Company to deliver a complete Asset Management as a Service solution to organisations with large-scale asset networks.

“Toustone is a data analytics, predictive analytics and decision intelligence company dedicated to solving complex data problems and providing accurate and reliable reporting,” he said.

“Toustone’s work for Metro Trains Sydney on its Sydney Metro North West and Bankstown Lines – Australia’s first driverless, high frequency public train service – is ground-breaking in terms of the efficiencies, insights and economic gains that it supports.

“COSOL is now introducing Toustone across our customer network, with a special emphasis on our transport and energy clients.”

Mr McGowan said COSOL’s volume-to-value strategy – focused on delivery of higher-value, higher margin services and proprietary software sales – would see the Company announce multiple new multi-year managed service contracts in FY26.

This announcement was authorised for release by the Board of Directors of COSOL Limited.

For more information, please contact:

E ir@cosol.global

About COSOL

COSOL is a global provider of technology-enabled asset management solutions to optimise operational performance in asset intensive industries such as natural resources, energy and water utilities, public infrastructure and defence.

COSOL provides advice, operational expertise and business optimisation outcomes to help clients achieve economic and sustainable improvements in their business operations and supply chains.

Drawing on our signature solutions and proprietary software, COSOL delivers an Asset Management as a Service capability – a complete outsourced solution for asset management operations that helps optimise asset performance.

Since listing on ASX in 2020, COSOL has delivered profitable growth, strong operating cashflows and successful strategic acquisitions.

<https://cosol.global/>

ⁱ Underlying EBITDA is statutory earnings before interest, tax, depreciation and amortisation, as well as business acquisition costs of \$0.5m (FY24: \$0.6m) and restructuring costs of \$0.5m (FY24: \$0).

ⁱⁱ Underlying NPATA is statutory net profit after tax (NPAT) before amortisation of acquired intellectual property, as well as tax adjusted business acquisition costs of \$0.4m (FY24: \$0.4m) and restructuring costs of \$0.4m (FY24: \$0).