CONNEXION

ASX Announcement
22 January 2026

Quarterly Update

For the Quarter Ended 31 December 2025

- **Marketplace subscription growth continuing**
- **All reported figures are unaudited and in USD, unless otherwise stated**
- **Q2 Revenue of \$2.9m → -1% over prior quarter**
- **Q2 Gross Profit of \$1.7m → -12% over prior quarter**
- **Q2 Diluted Earnings Per Share ("EPS") of 0.073 US cents → +19% over prior quarter**
- **Q2 Net Profit Before Tax of \$0.8m → +18% over prior quarter**
- **Q2 Operating Cashflow of \$0.5m → +24% over prior quarter**
- **Net Cash & Investments of \$6.7m, and no debt**

Connexion Mobility Ltd ("Connexion" or the "Company") is pleased to provide an update on its activities for the quarter ended 31 December 2025 ("Q2 FY26" or "the Quarter").

Summary

Connexion continued to supply its mobility SaaS platforms, OnTRAC and Connexion, to US Automotive OEMs and franchised dealers, to manage their courtesy transportation activity.

Financially, Connexion's performance in Q2 FY26 consisted of:

1. Steady Revenue from Connexion subscriptions
2. Revenue decline from income linked to vehicle inventories
3. Steady revenue from feature-enhancement delivery

Gross Profit ("GP") declined 12% quarter-on-quarter ("Q-o-Q"), to \$1.7m.

Net Profit Before Tax ("NPBT") increased 18% Q-o-Q, to \$0.8m.

The quarterly decline in GP was due to an internal shift in labour allocation from new to existing features, while the growth in NPBT was mainly due to a decline in expenses.

Connexion's top priority is growing long-term Shareholder value, being a function of the size, sustainability, and diversification of its earnings per share.

This drives our mission to be the "Connexion" between Fleet Owners and the Future of Mobility.

We are starting this journey within the niche of Courtesy Transportation for Automotive Retail – a niche supplied by three main modes of transportation: the loaner car, shuttle and ridehail.

To date, we have meaningfully commercialised our loaner product, with the rest to come.

We are pursuing clear strategic and financial objectives, all of which are fully funded.

Strategically, we strive to be the single platform through which our customers move people, parts and vehicles. To achieve this, we are proactively investing in our R&D, whilst deepening and expanding customer relationships.

We believe that deepening and expanding our customer relationships will ultimately lead to sales growth and improved customer stickiness.

Financially, we aim to grow long-term Shareholder value, as measured by the size, sustainability, and diversification of our earnings per share. We will continue prioritising reinvestment into the business, provided that we see a clear path to generating an acceptable return on capital. With internal reinvestment fully-funded, we are actively sourcing and assessing alternative, profitable uses for Connexion's capital, which includes potential M&A. If you know of a business that would be a good financial and operational fit for Connexion, please send them our way.

Operations

Product Enhancements

Connexion is focused on keeping its mobile and desktop platforms at the forefront of automotive fleet, rental, and mobility management capabilities.

Some of our efforts are invoiced directly, contributing to either Fixed-dollar SaaS or Service Revenue, with the balance self-funded within our R&D program.

Each product enhancement falls into at least one of the three categories within Connexion's operating model of "Embed, Integrate, Generate".

During the Quarter, development efforts included, Paid Rental, Group Reporting & Analytics, Marketplace, Continuous Improvement, Stripe, and Modives' license & insurance verification.

Sales

We continue to focus on improving our revenue diversification in five ways, by:

1. Deepening our commercial relationship with our existing OEM counterparts
2. Initiating commercial relationships within other departments of our OEM customers
3. Initiating commercial relationships with OEMs outside of our existing customers
4. Deepening commercial relationships directly with existing dealership customers
5. Initiating commercial relationships directly with prospective franchised dealerships

Our quarterly dealership sales traction grew, with ~25 net new subscriptions and/or trials, vs ~20 net new in the prior quarter.

During the quarter, we commenced a paid pilot of our OnTRAC software for GM Canada. GM Canada does not currently operate a Courtesy Transportation Program, as is done in the US. The OnTRAC pilot is part of the OEM's review, and does not guarantee a commercial outcome.

We are still yet to achieve material net new OEM sales. Across both General Motors and other OEMs, the breadth of our conversations is expanding beyond courtesy transportation. Within General Motors, this reflects an increasing awareness of opportunity outside of courtesy transportation. And within other OEMs, this reflects an acknowledgement of the long sales cycle of courtesy transportation being insufficient to support Connexion's need for near-term revenue growth. As such, we are exploring non-courtesy fleet management use-cases.

Commercial Partnerships

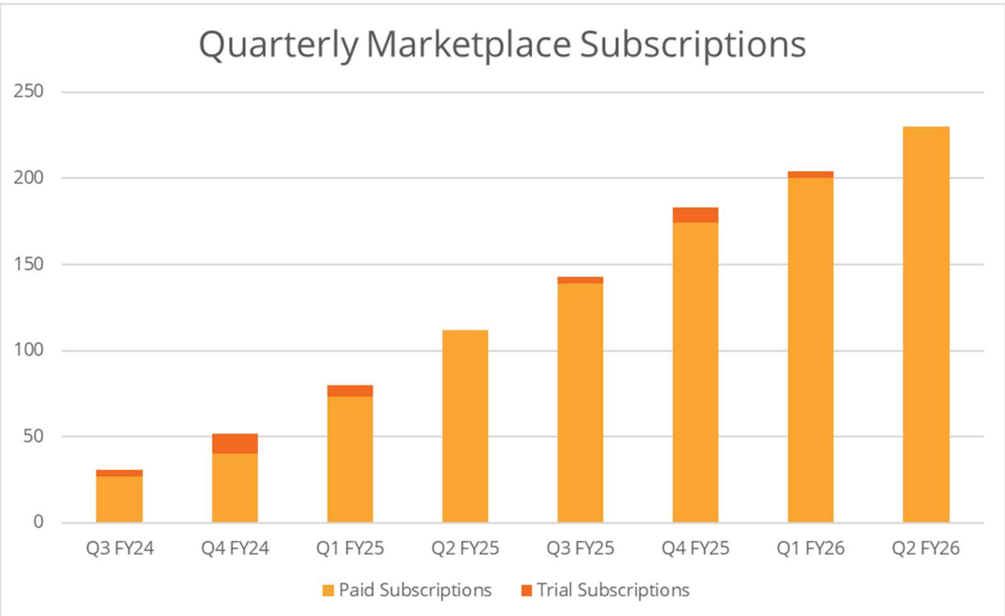
We update on our core Commercial Partnerships as follows:

- Tollaid: we ended the quarter with 127 subscriptions, from 110 in the prior quarter.
- OnDemand: we ended the quarter with 51 subscriptions, from 46 in the prior quarter.
- UVeye: Integration work complete, with all mutual dealers activated.
- Stripe: we released our Stripe integration to our User Acceptance Testing dealers.
- Modives: we released CheckMy Driver's integration with our "Express check-in for loaner reservation" to our User Acceptance Testing dealers.

Marketplace

Launched in H2 FY24, we are consistently growing our Marketplace subscriptions each month. In addition to its revenue, the process of selecting, building and distributing new products & features via our Marketplace neatly organises and showcases our R&D efforts for the OEM customer.

Beyond products & features deemed as industry standard, e.g. Toll Management, our R&D efforts are focused on those most likely to be valued by OEMs and large Dealer Groups.



Regarding dealership sales, specifically, we advise that towards the end of Q2 FY26, Connexion's dealership sales personnel reduced from three individuals to one, due to a termination and maternity leave. For the time being, these roles will not be filled and, therefore, Marketplace subscription growth is expected to flatten in the near-term.

Financial Position

Connexion's financial performance remained positive during the Quarter, despite a minor decrease in revenue.

The Company recognised total revenue during the Quarter of $2.9m, down 1% vs Q1 FY26, ending the streak of twelve consecutive quarters of increased revenue.

Subscription Revenue and Fixed-Dollar SaaS revenue decreased by 1% vs the previous quarter. Service Revenue decreased over the prior quarter by 3%.

Revenue

Connexion's three main revenue sources are:

1. Subscription-based SaaS Revenue – includes the OnTRAC and Connexion Subscription Bases. Both OnTRAC and Connexion generate revenue which is linked to the maximum number of vehicles on the platform each month. In addition, the Connexion Platform generates a monthly fee per dealership. Each revenue stream has its own cost structure.
2. Fixed-dollar SaaS Revenue – typically linked to the maintenance of previously performed customisation work, including analytics, and some APIs.
3. Service Revenue – typically linked to one-off software customisation work and customer reimbursement for certain service staff.

Vehicle inventories have remained stable over the past 12 months, with a slight reduction in quarterly average compared to the prior period. We expect these minor fluctuations to continue in future periods. The impact on revenue was further compounded by unfavourable exchange rate movements, which are discussed in more detail later in this report.

All commercial revenue is USD-denominated. Notably, the second and third revenue categories above are fixed fees (both recurring and one-off, respectively), and not directly linked to any variable Subscription Base. As such, they serve to dampen some of the volatility caused by a fluctuating Subscription Base. Each revenue category has its own cost structure.

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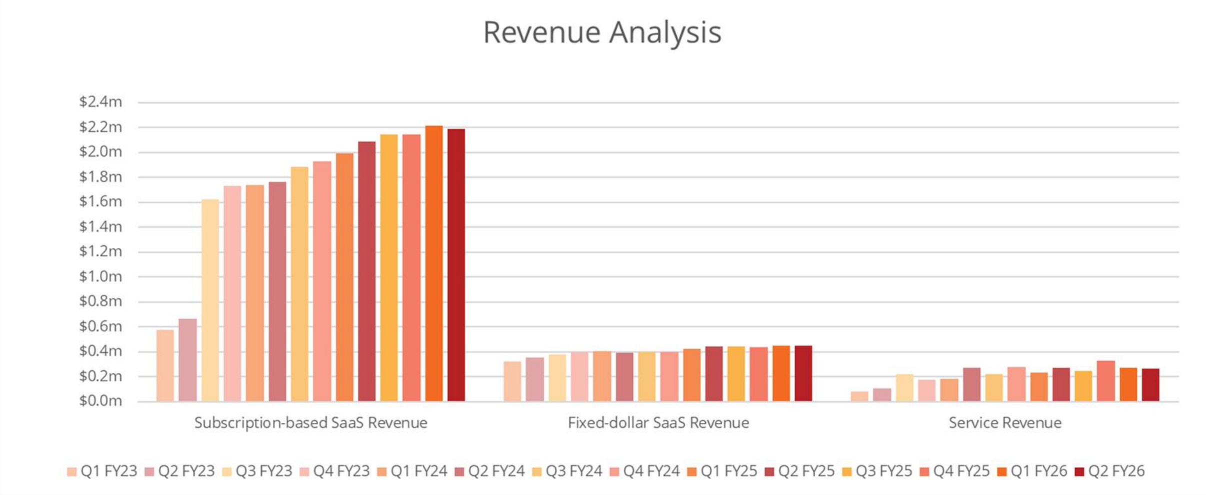
Below, we present the revenue categories from FY23 onwards.

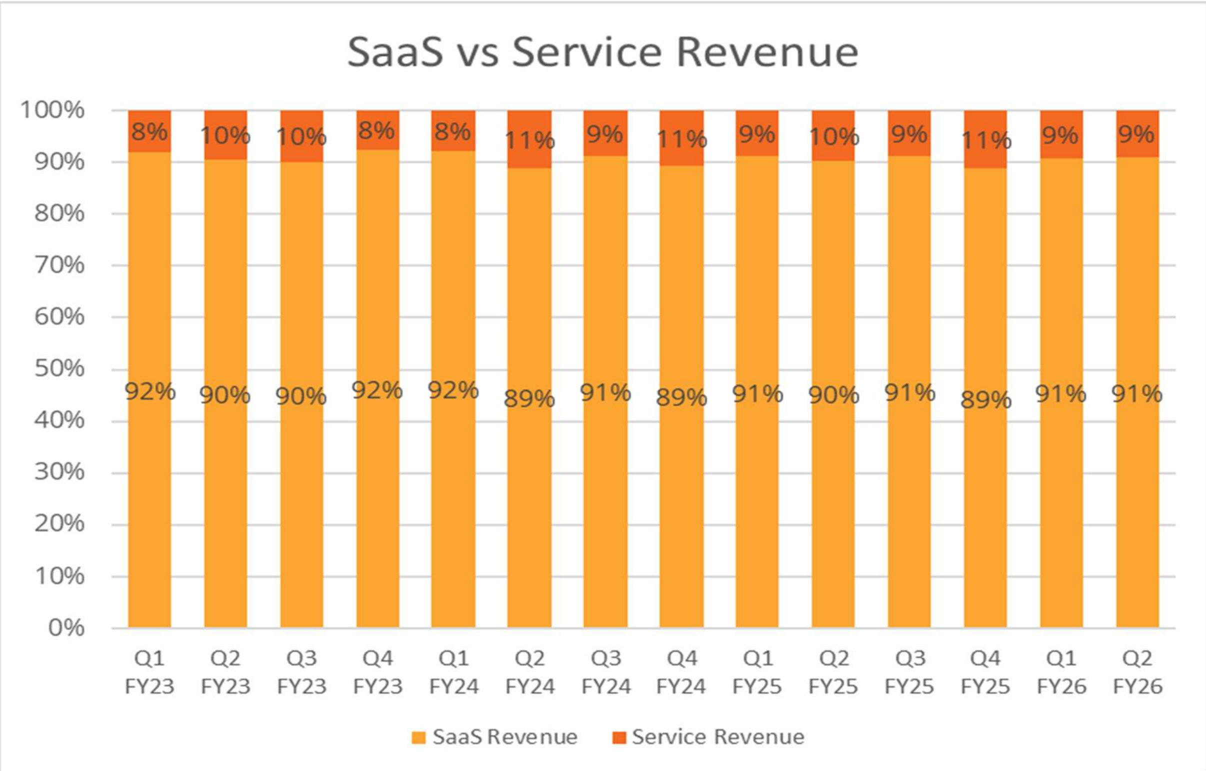


Subscription-Based Revenue was $2.2m, a slight decrease from the previous quarter. Similar to total revenue, this broke a streak of fourteen consecutive quarterly increases since Q3 FY22.

Fixed-dollar SaaS Revenue stayed consistent with the prior quarter. Fixed-dollar SaaS Revenue reflects Connexion's ongoing product enhancement work.

Service Revenue decreased slightly as Q1 FY26 had greater opportunities for one-off customisations. Historically, this fluctuates between quarters.

Below, we present the split between SaaS and Service revenue.



Connexion recorded a quarterly Gross Profit of $1.7m, down 12% vs Q1 FY26. The decrease relates to the higher allocation of Employee time spent on existing features, which is allocated to Cost of Sales, compared to new features, which is allocated to Research & Development. This will vary quarter-to-quarter based on team priorities.

Financial Metrics

Diluted EPS[1] was 0.073 US cents in Q2 FY26, up 19% vs Q1 FY26. The increase was driven by the 18% increase in Net Profit Before Tax, along with a continued reduction in share count.

Annualised Monthly Recurring Revenue[2] ("AMRR") was 1% higher in Q2 FY26, than in June 2025. Customer Diversification AMRR[3] was 39% higher in Q1 FY26, than in June 2025.

Net Profit Before Tax

Connexion recorded a quarterly, unaudited Net Profit Before Tax of $0.8m, up 18% vs Q1 FY26. The increase was mainly due to a reduction in overall expenses of $0.2m in Q2 FY26, which are likely to remain consistent in future quarters.

The AUD:USD exchange rate increased slightly during the Quarter, ending 0.4 cents higher.

Typically, an <u>increase</u> in the AUD:USD has the following impact on Connexion:

1. An immediate positive impact to our P&L via an increase in the USD value of our AUD-oriented balance sheet.
2. A sustained negative impact to our P&L via decreased Operating Cashflow over time.

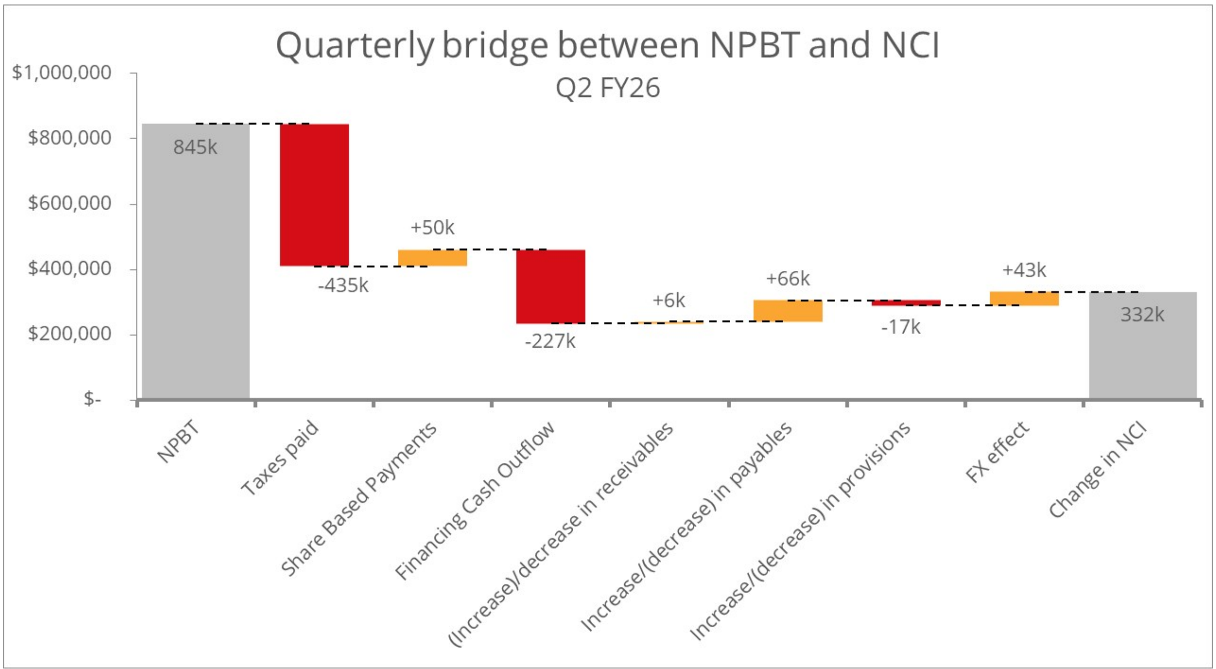
Net Cash and Investments (NCI) increased by $0.3m to $6.7m at the end of the Quarter, majority of which is held in AUD-denominated investments. This was driven by Operating Cash Inflow of $0.5m, offset by Financing Cash Outflow of $0.2m, with the remaining variance due to movements on the Balance Sheet. The falling share count increases the intrinsic value of each share, while our balance sheet remains strong.

[1] Diluted EPS is determined by our quarterly Net Profit Before Tax, applying an assumed effective tax rate to calculate an estimated Net Profit After Tax, which is then divided by the time-weighted average diluted share count for the period. Management estimates may differ slightly from the subsequent annual report.

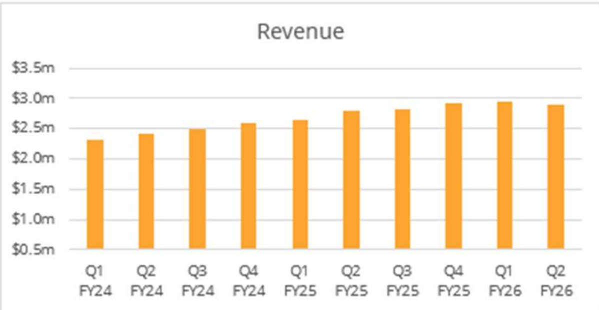
[2] Annualised Monthly Recurring Revenue ("AMRR") consists of Subscription-based SaaS Revenue and Fixed-dollar SaaS Revenue.

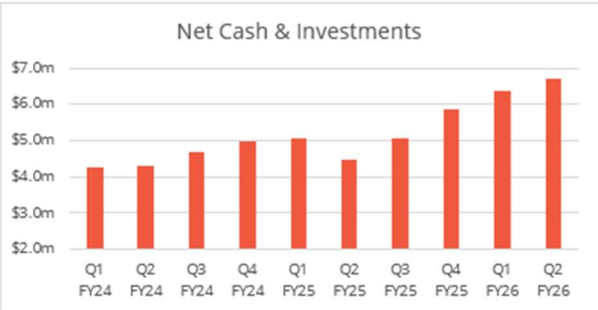
[3] Customer Diversification AMRR measures Connexion's improving customer diversification, comprising revenue unrelated to the General Motors CTP program.

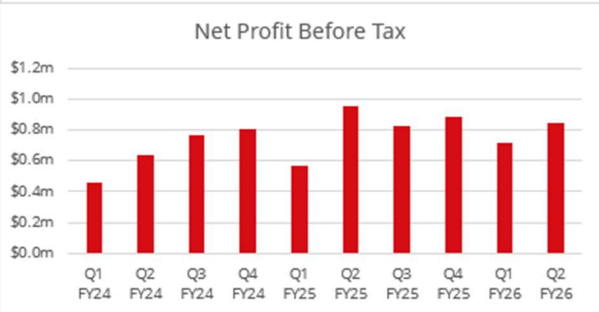
Below is the Q2 bridge between our unaudited NPBT of $0.8m and our change in NCI of $0.3m.

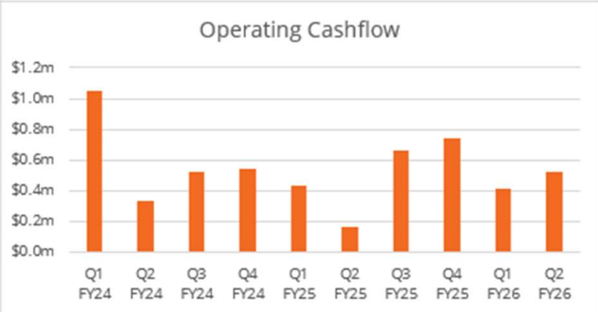


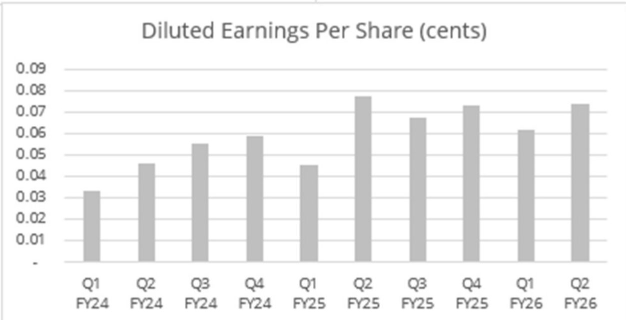
Below features a summary of our key financial metrics.











Investment Earnings

As introduced in the previous Quarterly Report, Connexion's long-term objective is to improve the size, sustainability and diversification of its earnings per share. Supporting this are Connexion's Net Cash & Investments. Today, this comprises an internally-managed, and generally passive, investment portfolio predominantly held in AUD-denominated assets – typically credit-focused managed funds.

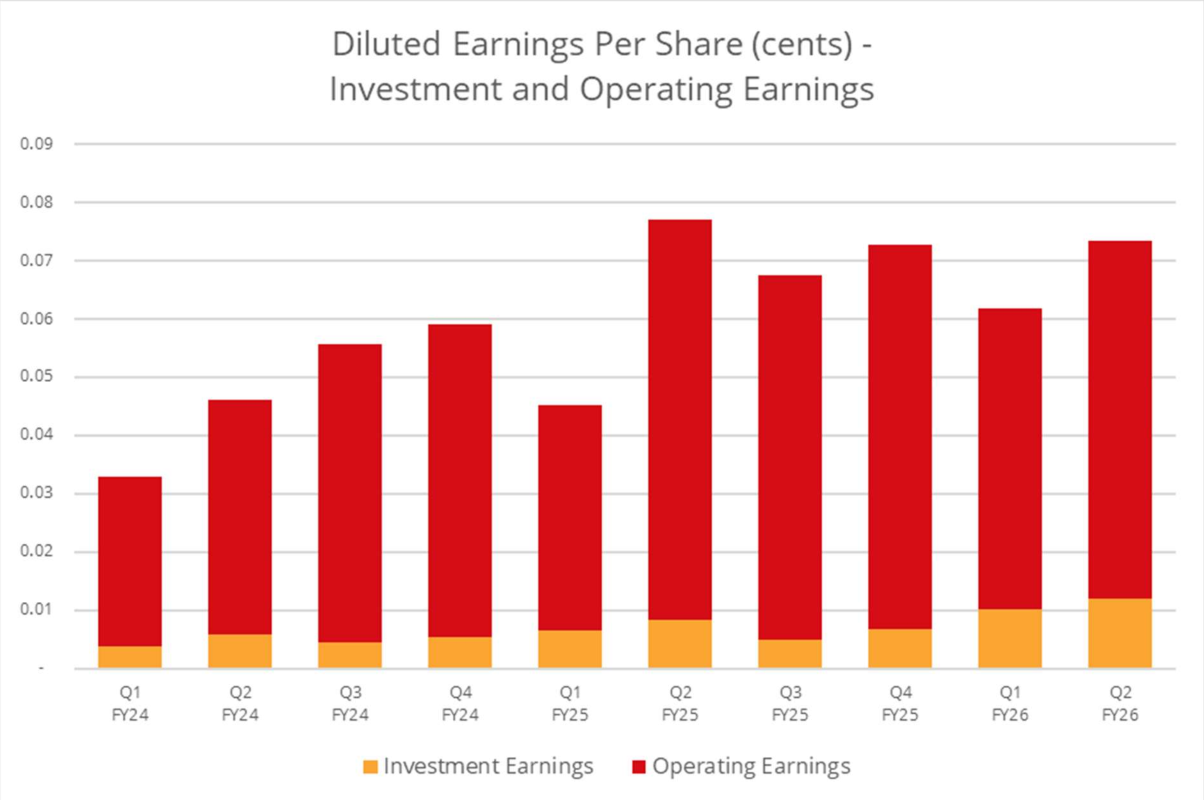
In addition, Connexion announced on the 2nd of September 2025 that it agreed to acquire a substantial minority shareholding, along with stapled redeemable notes, in Covertrue Group Pty Ltd – the owner of leading Australian fleet branding business, Liberty Signs. While Connexion's minority ownership precludes Covertrue from being a 2nd "platform company" within the Group today, it does position Connexion to benefit from the cashflows of the business, and any growth thereof, and the prospect of greater share ownership over time.

Together, these investments provide Connexion with a meaningful, diversified, sustainable, and growing source of earnings.

Connexion's Net Cash & Investments portfolio has steadily grown and diversified its earnings, as illustrated in the graph below, proving an effective vehicle for deploying surplus capital, while diversifying Connexion's income base. This is aligned with Connexion's long-term objective of improving the size, sustainability and diversification of its earnings per share.

In Q2 FY26, investment earnings totalled $0.1m – an increase of 19% compared with Q1 FY26. Investment earnings account for 16% of group Net Profit Before Tax, up from 10% in both FY24 and FY25. This reflects the incremental contribution from continued investment returns from the managed-fund portfolio and three month's contribution from Covertrue.

Below is the contribution of our investment and operating earnings to our Diluted EPS.



Capital Management

During the Quarter, Connexion repurchased 13.2m shares at an average price of A$0.026 per share. Across all its buyback initiatives, Connexion has repurchased ~254m shares at an average price of A$0.02 per share.

Importantly, our capital management initiatives are designed to not constrain our organic investment initiatives. It is only after our internal growth initiatives are fully funded that we turn to alternative uses for any excess capital, such as dividends, buybacks, M&A, investments and so on.

Connexion maintains its balance sheet strength with a view to ultimately acquiring meaningful positions in operating businesses that will contribute strongly to the size, sustainability and diversification of Connexion's earnings per share.

Outlook

Connexion's mission is to be the "Connexion" between Fleet Owners and the Future of Mobility.

We are starting this journey within the niche of Courtesy Transportation for Automotive Retail – a niche supplied by three main modes of transportation: the loaner, shuttle and ridehail.

To date, we have meaningfully commercialised our loaner product, with the rest to come.

We see OEMs and Dealer Groups increasingly adopting software to:

1. Improve their customers' experience
2. Drive operational efficiency
3. Reduce risk

Connexion's software:

1. Delivers on each of the above, today
2. Has a large Userbase within which to iterate its product, and grow its market presence
3. Has only a small share of OEM & Dealer Group software spend, with ample scope to grow

Connexion intends to continue growing its SaaS revenue streams via:

1. Proprietary features valued by its existing Userbase of franchised dealerships
2. Commercial Partnerships bringing complementary functionality to this existing Userbase
3. Expansion of the Userbase itself to new OEMs and franchised Dealer Groups

With internal reinvestment fully-funded, we are actively sourcing and assessing alternative, profitable uses for Connexion's capital, which includes potential M&A. If you know of a business that would be a good financial and operational fit for Connexion, please send it our way.

Finally, as mentioned earlier in this report, Marketplace subscription growth is expected to flatten in the near-term, due to a reduction in dealership sales personnel from three to one.

All numbers in this release are preliminary and unaudited. This announcement has been authorised for release to the ASX by the Board of Directors.

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Ends

Issued by: Connexion Mobility Ltd
Authorised by: The Board of Connexion Mobility Ltd

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About Connexion Mobility

Connexion is a public, enterprise-grade, mobility software company servicing the global Automotive Retail industry. Its mission is to be the Connexion between Fleet Owners and the Future of Mobility, starting with courtesy transportation.

The Company's proprietary OnTRAC and Connexion platforms incorporate embedded telemetry, fleet management, contract management and data analytics tools to help OEMs and dealerships move people, parts, and vehicles.

Connexion powers courtesy transportation for thousands of dealerships across the US, maximising their asset utilisation and increasing operational efficiency, whilst elevating the end-customer experience.