

ASX Release
29 January 2026

December 2025 Quarterly Business Review

Decidr AI Industries Ltd (ASX: DAI) (“DAI”, “DAI Industries” or “the Company”), an agentic AI enablement group and 100% owner of Decidr.ai Pty Ltd (“Decidr”) is pleased to provide its quarterly activities report for the period ending 31 December 2025 (“Q2 FY26”).

Highlights

- DAI completed its acquisition of 100% interest in Sugarwork, Inc. (“Sugarwork”), a US-based AI knowledge transfer and enterprise collaboration platform.
- DAI completed the acquisition of the remaining 49% interest in Decidr, increasing to 100% ownership¹.
- Decidr December 2025 annualised revenue exit rate of \$4.0M (+60% vs September 2025), in Decidr’s fourth full quarter of commercialisation.
- Successfully launched DecidrOS, its unified AI platform (Oct’25), receiving strong early demand and eligible paid customer onboarding in the OSBeta program.
- Partner commercialisation and expansion ongoing, including new commercial partnerships with nine.com.au - via CareerOne - and a global systems integrator, amongst other progress.
- Amazon Web Services (AWS) partnership on-track, with internal AWS case study production in-flight.
- Decidr agentic Sales and Marketing Assistant approved within Shopify marketplace, in production with live customers.
- Edible Beauty quarterly performance pleasing, reflected by \$0.3M sales, in line with Q2 FY25; and 10% uplift in gross margins to 60%, supported by sustained cost efficiencies across freight, logistics, and supplier pricing.
- Strong cash position of \$21.3M at 31 December 2025, following conversion of options of \$1.2m.

¹ DAI issued 78.4 million fully paid DAI shares to Decidr Group Pty Ltd, as approved by shareholders at Company’s AGM on 14 November 2025

DAI Group Strategy

DAI's group strategy is focused on solving a core technical constraint in enterprise AI adoption: while generative AI systems are inherently probabilistic, business operations require governed, repeatable and auditable execution.

DAI's core platform, DecidrOS, addresses this constraint through structured workflow schemas that constrain AI agents to validated execution paths with defined triggers, system integrations and audit controls.

DAI's ambition is to become the leading Agentic Transformation Group, enabling organisations to move from AI experimentation to operational, enterprise-grade agentic systems. To execute this strategy, the Group is focused on five core pillars:

1. **Foundational Platform Ownership** - Building and commercialising DecidrOS as the core agentic orchestration and execution layer for enterprise AI. Decidr is built on a single, enterprise-grade architecture that is deployable across SMEs and large enterprises through flexible operating models, from self-service adoption to fully governed, enterprise-scale implementations.
2. **Deterministic, Governed Execution** - Enabling repeatable, auditable AI execution through opinionated schema-driven workflows, integration controls and enterprise-grade governance.
3. **Embedded Distribution and Partnerships** - Scaling adoption through embedded deployments with strategic partners operating in large, data-rich B2B ecosystems.
4. **Targeted M&A and Capability Expansion** - Strengthening the platform and execution stack through selective acquisitions, including Sugarwork, which provides script-for-script execution validation and extends DecidrOS into organisational intelligence and knowledge capture.
5. **Global Scale and Market Expansion** - Executing commercial rollout in Australia, APAC and the United States, with a focus on SME and partnerships via Decidr and enterprise deployments via Sugarwork.

Through these pillars, DAI is positioning itself to scale governed agentic execution across sectors and geographies and to convert platform adoption into durable, recurring revenue streams.

Quarterly Highlights

Decidr.ai Acquisition and Strategic Integration

Following shareholder approval at the AGM on 14 November 2025, DAI completed the acquisition of the remaining 49% interest in Decidr.ai Pty Ltd through the issue of 78.4M fully paid shares, increasing DAI's ownership to 100%. The transaction consolidates Decidr's Agentic AI technology, governance and leadership within a single structure.

Full ownership positions the Company to accelerate the rollout of DecidrOS, streamline global expansion, and integrate product development, go-to-market and customer success within a unified platform model. The acquisition represents a key milestone in the evolution of DAI's AI enablement strategy and formalises the transition to a fully integrated Agentic Operating System.

With 100% ownership of Decidr.ai, DAI is now well positioned to scale platform deployment, expand internationally and strengthen recurring revenues through platform-based partnerships, reinforcing its role in the emerging Agentic Economy.

Sugarwork Acquisition

During Q2 FY26, the Company undertook the acquisition of 100% of Sugarwork, Inc., a US-based AI knowledge transfer and enterprise collaboration platform. The acquisition strengthens the Group's capabilities in organisational intelligence, knowledge capture and enterprise AI adoption, particularly in the United States.

Sugarwork shareholders received a 4.13% interest in the newly established Decidr US entity, with founder and CEO Vanessa Liu continuing in her leadership role. Post-acquisition integration planning commenced during the quarter, with teams aligning product strategy and go-to-market execution to support Decidr's US expansion and Sugarwork's ongoing growth in APAC.

The acquisition enhances the Group's enterprise offering by combining Sugarwork's knowledge-capture capabilities with Decidr's Agentic Operating System, supporting future platform differentiation and commercial opportunities through FY26.

DecidrOS (BetaOS) Update

During the quarter, the Company continued onboarding BetaOS customers following the October 2025 Beta launch of DecidrOS. The BetaOS program remains focused on validating platform performance, agentic workflows and schema design ahead of broader commercial release.

Customer onboarding progressed across a range of B2B use cases, with a particular focus on CRM and RevOps workflows. New agentic functionality was released during the quarter, supporting data unification, workflow orchestration and decision support. Customer

feedback has been positive, validating product-market fit and informing the commercial roadmap.

BetaOS activity contributed to accelerating revenue growth during the quarter. Specifically, Decidr achieved an annualised invoiced exit run-rate in December 2025 of approximately \$4.0 million, representing 60% growth on the September 2025 exit run-rate, driven by BetaOS activations and maturing partnerships. Onboarding continued into January 2026, supporting ongoing platform validation and scale.

Partnerships Update

The Company continued to progress its embedded partnership strategy during Q2 FY26 - driving revenue growth - with multiple partners transitioning from pilot to commercial deployment. Specifically, the CareerOne partnership continued to perform strongly, with agentic recruitment applications operating in full production and delivering growing revenues. In hospitality, Decidr and eBev progressed to full commercial rollout of the Agentic Procurement App, securing commitments across more than 100 venues nationally and demonstrating strong product-market fit.

Commercial deployments with additional partners also continued to advance during the quarter. Revenue from Go1 was not captured in Q2 FY26 due to partner-side engineering capacity constraints, while revenue recognition from ELMO Software was deferred during extended go-to-market alignment discussions. Both partnerships remain active, with commercialisation expected to progress as these matters are resolved. Partnerships are expected to remain a key driver of growth and platform scale through the remainder of FY26, and beyond.

Edible Beauty Update

Edible Beauty delivered a profitable second consecutive quarter, notwithstanding a 15% year-on-year revenue decline, reflecting a challenging discretionary retail environment.

Online sales increased 50% compared to the prior quarter, driven by seasonal promotional activity, partially offsetting weaker wholesale performance.

Gross margin strengthened 10 percentage points year-on-year to 60%, reflecting improved pricing architecture, higher online sales mix and continued optimisation of fulfilment costs.

Edible Beauty remains focused on rebuilding customer acquisition momentum, strengthening domestic retail partnerships and maintaining disciplined cost management to support performance through the second half of FY26.

Capital Raising & Financial Position

The Company raised \$1,212,800 from the conversion of a total of 7,918,000 unlisted options.

The Company also has \$0.8 million of partner incentive prepayments on the balance sheet at the end of the period. Per the partner commercial agreement terms, Decidr recovers these incentive prepayments from co-produced partner revenues until they are fully recovered. Management expects a significant portion of the prepayments to be recovered over the course of FY26.

DAI has a robust closing cash position of \$21.3 million as at 31 December 2025, which positions the business and management to focus on pursuing the growth of the business over the long term.

Outlook

DAI enters FY26 well-positioned for continued growth. With DecidrOS in Beta launch, and commercial traction across multiple verticals, the Company will continue to focus on:

- Scaling embedded Agentic App deployments with partners.
- Onboarding and monetising direct SME clients.
- Expanding its commercial presence in the US and Asia-Pacific regions.
- Realising structured and recurring revenue from new and existing partners.

The momentum across SME and enterprise clients, supported by a growing partner ecosystem, underpins the Company's confidence in delivering meaningful shareholder value in FY26.

The Company looks forward to updating shareholders as it continues to evolve and execute its strategy.

Receipts during the quarter

During the quarter, the Company received sales revenue of \$1.39m as follows;

- Edible Beauty cash receipts of \$524k; and
- Decidr cash receipts of \$868k.

Expenditure during the quarter

During the quarter, the Company incurred the following operating cash expenditure

- R&D expenditure amounted to \$1.4m;
- Product and manufacturing expenditure amounted to \$805k;
- Advertising and marketing expenditure amounted to \$679k;
- Staff related expenditure amounted to \$2.04m; and
- Administrative and corporate costs amounted to \$1.45m.

During the quarter, operating expenditure reflected the Company's continued efforts to progress commercialisation of DecidrOS. During the quarter, the Company incurred the following investing cash outflows:

- Funds received of \$17k being contract deferred consideration payments for the 13Seeds business, offset by;
- Funds spent of \$1.53m for all legal/advisory costs and minority shareholder cash consideration pertaining to the acquisition of US company Sugarwork, Inc.
- Funds spent of \$14k for property and equipment; and
- Funds spent of \$524k for working capital loans provided to Sugarwork, Inc. prior to the acquisition and consolidation of the business

During the quarter, the Company received the following financing cash inflows:

- Funds received for share issues via option exercises of \$1,213k.

During the quarter, the Company incurred the following financing cash outflows:

- Loan repayments of \$2.6m in accordance with loan agreement with Decidr Group Pty Ltd, which financed the purchase of the additional 6% stake in Decidr on 31 December 2024. The loan balance at period end was \$8.1 million, and is interest free.

The expenditure during the quarter was in line with the Company's budgets.

Additional Information

The amount of \$129k included in section 6.1 of the accompanying Appendix 4C (payments to related parties) relates to Directors fees and superannuation payments in the December 2025 quarter.

-Ends-

For further information, please contact:

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This announcement has been authorised for release by the Board of DAI.

About Decidr AI Industries (ASX:DAI)

Decidr AI Industries (ASX: DAI) is an agentic transformation group building and scaling portfolio companies that enable organisations to systematically organise, execute, and distribute work using enterprise-grade agentic systems. The Company's strategy addresses the full agentic lifecycle, including organisational self-knowledge, human and agentic role definition, data and schema normalisation, task orchestration, and the distribution of work across teams, partners, and labour markets.

DAI's portfolio includes Decidr.ai, developer of the Decidr Agentic Operating System, which provides an enterprise-grade platform for orchestrating agentic workflows and decision-making, and Sugarwork, a knowledge-capture and workflow-automation platform that strengthens the group's capabilities in organisational intelligence and enterprise AI adoption.

Through its portfolio companies, DAI supports organisations as they transition from fragmented AI experimentation to coordinated, scalable, and commercially deployable agentic systems across industries and geographies.

To receive updates on DAI activities, news, and access historical information, register on the DAI Investor Portal: <https://decidrindustries.ai/auth/signup>

For more information, visit <https://decidrindustries.ai>

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Decidr AI Industries Ltd

ABN

99 673 841 284

Quarter ended (“current quarter”)

31 December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,392	1,936
1.2 Payments for		
(a) research and development	(1,405)	(2,679)
(b) product manufacturing and operating costs	(805)	(1,336)
(c) advertising and marketing	(679)	(1,196)
(d) leased assets	-	-
(e) staff costs	(2,042)	(3,745)
(f) administration and corporate costs	(1,454)	(2,489)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	260	326
1.5 Interest and other costs of finance paid	-	(0)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(4,732)	(9,183)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	(1,534)	(1,534)
(b) businesses	-	-
(c) property, plant and equipment	(14)	(27)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	17	41
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	(524)	(756)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(2,054)	(2,276)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	20,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	1,213	9,384
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1,158)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(2,600)	(3,200)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(1,387)	25,027
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	29,493	7,752
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,732)	(9,183)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,054)	(2,276)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,387)	25,027
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	21,319	21,319

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	21,319	24,493
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	21,319	24,493

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	129
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term 'facility' includes all forms of financing arrangements available to the entity.</i>		
	<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	8,100	8,100
7.2	Credit standby arrangements	-	
7.3	Other (please specify)		
7.4	Total financing facilities	8,100	8,100
7.5	Unused financing facilities available at quarter end		0
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	7.1 Decidr Group Pty LTD private loan, non-interest bearing, 3 years (from 31/12/2024, secured against intellectual property generated in Decidr.ai Pty Ltd from January 2025.		

8. Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(4,732)
8.2	Cash and cash equivalents at quarter end (item 4.6)	21,319
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	21,319
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.51
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 January 2026

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.