ASX Announcement

31 July 2026

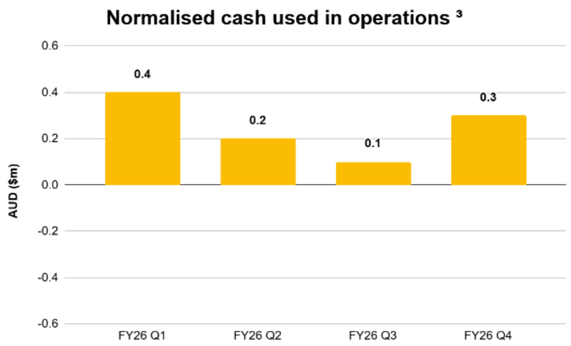
June Quarter FY26 Activities Report and Appendix 4C

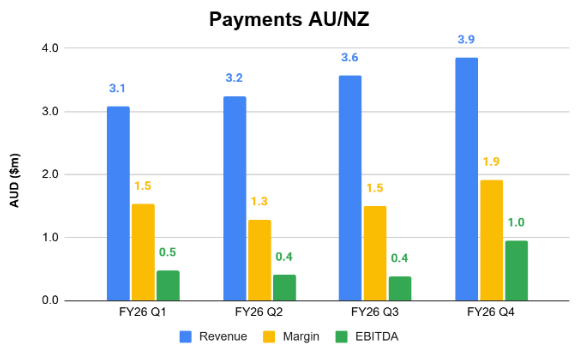
Payments infrastructure at the core as AU/NZ momentum accelerates

Highlights

- Group revenue $7.6m (+5% QoQ) and $3.7m gross margin
- Q4 Group EBITDA $0.3m (+$0.4m QoQ)[1]
- Q4 Payments AU/NZ revenue $3.9m revenue (+8% QoQ) and $1.9m margin (+26% QoQ)
- Operating cashflow of -$1.8m[2] with funds used to improve the Group working capital position and address historic liabilities, with normalised operating cashflow of $0.3m[3]
- $3.0m cash available as of 30 June 2026, plus $1.2m from the sale of AUDC shares received in July.

Novatti Group Limited (ASX: NOV) (**Novatti** or **the Company**), a payments leader bridging traditional payments and regulated digital finance, is pleased to release its June 2026 quarter (Q4 FY26) Activities Report and Appendix 4C.





Commenting on the Company's performance, Novatti CEO, Mark Healy, said:
"Q4 FY26 completes a defining year for Novatti. We have successfully repositioned the business around AU/NZ payments infrastructure, delivered sustained revenue growth, materially improved profitability and demonstrated that our strategy is translating into stronger financial performance.

"Our core Payments AU/NZ business now generates the largest revenue, gross margin and EBITDA for the Group as transaction volumes continue to increase across both our key

[1] All figures for FY26 remain unaudited unless stated otherwise. EBITDA excludes non-cash entries and historic liabilities.

[2] Reflects net cash from/used in operating activities (as measured in the Appendix 4C report)

[3] Reflects net cash from/used in operating activities (as measured in the Appendix 4C report) excluding settlement of historic liabilities (including ATO Debt)

Issuing and Acquiring platforms. Our sales, onboarding and integration focus provides confidence in further momentum carrying into FY27.

"Beyond the financial performance, we have continued to strengthen the foundations of the business. We expanded our commercial team, improved the balance sheet, secured new distribution and continued investing in products that position Novatti to benefit from evolving payment regulation and the growing demand for modern, digital payments infrastructure.

"With gross margin surpassing 50%, positive cash EBITDA and a growing pipeline of customers progressing from implementation to live transaction processing, Novatti is well positioned to drive further growth and increase shareholder value in FY27 and beyond."

Operations Update

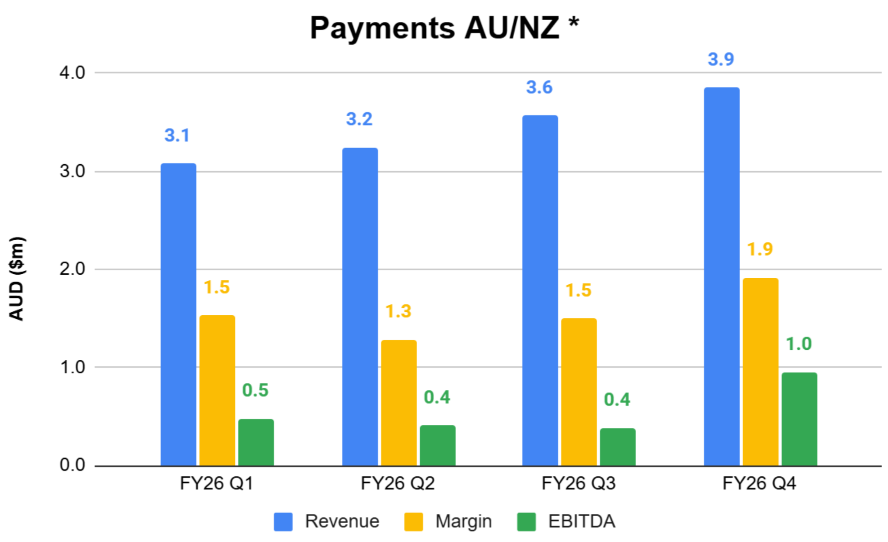
Commercial traction

Novatti's pivot to growth continues to build momentum with Group revenue of $7.6m representing a 5% QoQ increase (Q3: $7.2m), supported by customers onboarded in Q3 that commenced processing their payments through Novatti's infrastructure in Q4.

Group Q4 margin of 50% was slightly down on Q3 (51%) but a considerable YoY increase on Q4 FY25 (26%), reflecting strategic revenue reform over the past 12 months to drive long-term profitability and shareholder value.

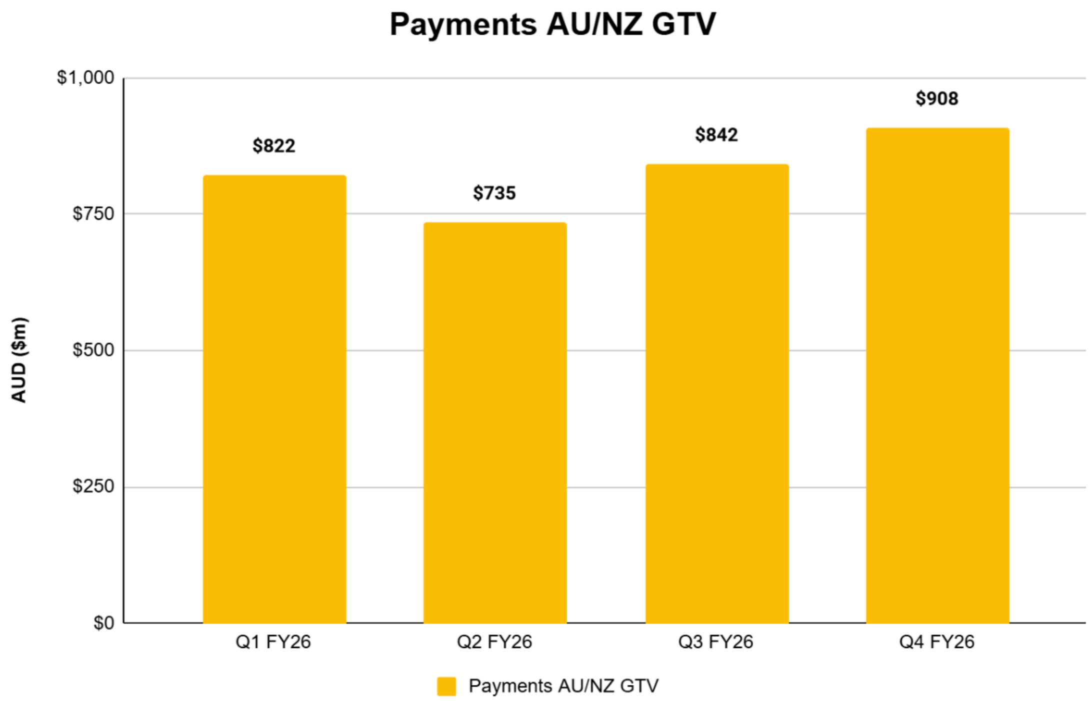
The Company's continued focus on Payments AU/NZ is driving an increasing contribution to Group profitability as product features continue to deploy, higher margin products gain traction and transaction volume continues to grow.

Payments AU/NZ revenue of $3.9m represented a 8% QoQ increase (Q3: $3.6m) with gross margin of $1.9m representing a 26% QoQ increase (Q3: $1.5m), which delivered $0.9m EBITDA, a 95% QoQ increase.



*Payments Au/NZ EBITDA excludes corporate overheads

Growth in revenue, margin and EBITDA are being powered by rising Gross Transaction Value (GTV) across streamlined operations within AU/NZ payments infrastructure. Q4 GTV of $975m was a 16.3% QoQ increase (Q3: $839m) and 39.2% YoY increase (Q4 FY25: $701m)



A new commercial leader has been appointed to the AU/NZ business to drive new customer acquisition, to focus on accelerating growth in our Acquiring business and relaunch of Cross Border services following recent improvements to the product platform and customer experience.

The Group's operating cash[4] outflow of -$1.8m in Q4 was significantly higher than Q3 (-$0.4m), reflecting the deliberate use of its improved profitability and cash position to reduce historic working capital liabilities. This contributed to supporting critical vendor relationships and enhancing the Group's operational flexibility.

Novatti's closing cash position of $3.0m does not include $1.2m of proceeds (before costs) from the sale of 1.5 million shares in AUDC Pty Ltd executed in mid-June.

Operational Update

The pivot to growth initiated in FY26 continued to solidify in Q4, developing the sales pipeline and progressing new clients through an implementation process across onboarding, integration and live payment processing. New customers of significant size, or potential to become significant with user adoption, that continue to progress through implementation include:

- Vivi Money for the issuance of globally accepted Visa debit cards
- A commercial retailer that operates in airports throughout Australia for payment acceptance services

[4] Reflects net cash from/used in operating activities (as measured in the Appendix 4C report)

- An Australian subsidiary of a major Asian fintech to distribute Novatti's card-present and eCommerce payment acceptance solutions
- Extension of services to UNSW for WeChat Pay
- A digital payment platform that rewards customers with cashback or redeemable products for processing everyday transactions through their platform

Revenue generated from new fintech and distribution partners is typically driven by end-user adoption following implementation, with payment processing revenue increasing as transaction volumes build over time. The University of New South Wales (**UNSW**) provides a case study of this customer lifecycle, demonstrating how customers progress from onboarding to meaningful recurring revenue.

UNSW was onboarded to Novatti's Alipay payment acceptance platform in October 2025. Since launch, transaction volumes have steadily increased, with the service generating more than $60 million in Gross Transaction Value (GTV) and over $0.9 million in revenue. This illustrates the earnings potential of customers once they are fully deployed and adoption reaches scale.

UNSW is the first Australian university to deploy Novatti's Alipay integration. Through Novatti's relationship with payment services provider Xetta, more than 30 additional tertiary institutions have the potential to implement the same solution, enabling international students and their families to pay tuition fees using a familiar digital wallet while providing a scalable growth opportunity for Novatti.

Replicating a similar operating model targeting payment acceptance customers for the Acquiring business remains a key growth priority, with several partners currently onboarding soon to transition into transaction processing.

<u>Regulatory Update</u>

Novatti has previously noted the Reserve Bank of Australia's "Review of Merchant Card Payment Costs and Surcharging" published in March 2026 which will impact card surcharges applied by merchants. Novatti does not anticipate any material impact on the current Acquiring business with only a small group of customers impacted, but notes this event has generated a strong line of interest from prospective customers who are testing the market for non-bank payment options. In parallel, Novatti is expanding and strengthening the product suite for real time Account to Account (A2A) payments enabling merchants to diversify their acceptance options and provide low-cost alternatives to traditional card payments.

In other regulatory driven changes, product updates are required for a component of Novatti's Asia Wallets service in response to recent AML/CTF changes in the Australian market, with Billpay services withdrawn for overseas payers until product updates are deployed. Novatti is required to develop greater direct control over the flow of funds through Chinapayments BPAY and has commenced working on this upgrade. Specific implementation guidance is expected from the BPAY Scheme in August, while direct acceptance of Asia Wallets for merchant acquiring continues to operate as normal.

The relaunch of Novatti's Billpay services will expand the scope beyond the current primary target market of Chinese students and create additional revenue opportunities for international students from additional countries and wallets when the platform upgrade is completed.

Investments and business portfolio update

On 26 June 2026, Novatti sold 1.5 million shares of its stake in AUDC Pty Ltd (**AUDC**), the issuer of Australia's leading AUD-backed stablecoin, AUDD for $1.2 million. The $1.2 million share sale (before costs) at $0.80 per share enabled Novatti to realise a portion of the value created through the incubation of AUDC while retaining 18.5 million shares post-sale.

The sale was settled on 6 July 2026 with proceeds directed towards supporting the continued growth of Novatti's Payments AU/NZ business, including expansion initiatives across acquiring and digital payments.

During the June quarter, AUDC added several new senior roles to accelerate their growth strategy, including launch of a New Zealand dollar stablecoin, NZDC as part of its APAC infrastructure expansion alongside corridors being developed in Hong Kong, Singapore and the Philippines. Novatti and AUDC are progressing multiple projects on behalf of customers of both companies. The integration of Novatti's API with stablecoin networks can drive great efficiencies for international payments such as B2B and international tuition payments.

Listing Rule 4.7C Disclosure

In accordance with Listing Rule 4.7C, payments made to related parties and their associates are included in item 6.1 of the Appendix 4C, which incorporates directors' fees, salaries and superannuation.

Ends

Online Investor Briefing

Novatti CEO, Mark Healy, will be hosting a shareholder webcast, including quarterly results presentation and Q&A, on 31 July 2026, at 11.00am (AEST). Investors can register at: https://www.novatti.com/investor-centre/investor-briefing.

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

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

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

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About Novatti Group Limited (ASX:NOV)
Novatti is a payments leader bridging traditional payments and regulated digital finance. 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. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision. By reviewing or retaining this announcement, you acknowledge and represent that you have read, understood and accepted the terms of this important notice.

Appendix 4C

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

Name of entity	
Novatti Group Ltd	

ABN	Quarter ended ("current quarter")
98 606 556 183	30 June 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	27,129	109,976
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(25,167)	(94,119)
	(c) advertising and marketing	(3)	(91)
	(d) leased assets	-	-
	(e) staff costs	(2,841)	(12,878)
	(f) administration and corporate costs	(1,111)	(5,732)
1.3	Dividends received	-	-
1.4	Interest received	245	871
1.5	Interest and other costs of finance paid	(69)	(400)
1.6	Income taxes paid	-	(3)
1.7	Government grants and tax incentives	38	154
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,779)**	**(2,222)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	(3)
	(d) investments	-	-
	(e) intellectual property	-	(287)
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(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	-	-
2.4	Dividends received (see note 3)	-	-
2.5.1	Cash reduction from deconsolidation of AUDC	-	(658)
2.5.2	Proceed from disposal of Emersion	-	500
2.5.3	Cash reduction from disposal of Emersion	-	(233)
2.6	**Net cash from / (used in) investing activities**	**-**	**(681)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities	-	1,000
3.1.1	Proceeds from issues of equity securities of IBOA	-	-
3.1.2	Proceeds from issues of equity securities of the AUDC	-	927
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	370
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(18)	(18)
3.5	Proceeds from borrowings	1,000	1,550
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	(50)
3.8	Dividends paid	-	-
3.9	Other (leases)	(76)	(337)
3.10	**Net cash from / (used in) financing activities**	**906**	**3,442**

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,621	2,542
v4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,779)	(2,222)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(681)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	906	3,442
4.5	Effect of movement in exchange rates on cash held	272	(61)
4.6	**Cash and cash equivalents at end of period**	**3,020**	**3,020**

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	3,020	3,621
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)**	**3,020**	**3,621**

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	-
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** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end** **$A'000**	**Amount drawn at quarter end** **$A'000**
7.1	Loan facilities	1,770	1,770
7.2	Credit standby arrangements	-	-
7.3	Other (convertible notes)	3,118	3,118
7.4	**Total financing facilities**	**4,888**	**4,888**

7.5	**Unused financing facilities available at quarter end**	-

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.

Novatti Group Limited issued a convertible note facility in the amount of $3.50m. The first tranche of the convertible note facility was issued on 3rd January 2024 to the value of $1.46m and the second tranche issued on 14th February 2024 to the value of $2.04m and subsequently $382k was converted to shares with current balance being $3.118m.

The Convertible Notes have a $1.00 face value, a coupon of 10% per annum and a maturity date of 22 December 2026. They are convertible into Shares at a conversion price of the lower of $0.06 and the next equity capital raising price, subject to a floor price of $0.04. During the previous quarter ended 31 December 2024, $370,000 was converted into ordinary shares.

As at 30 June 2026, four related parties have provided unsecured loans of $0.77m at 12% interest per annum on the principal amount which accrues daily.

During the quarter, Novatti Group Limited entered into an agreement with an unrelated party and borrowed $1.0M (unsecured) at 15% interest per annum on the principal amount which accrues daily.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,779)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,020
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	**3,020**
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	**1.70**

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.

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: No. $2.0m worth of disbursements were made in the quarter to settle some historic liabilities.

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: Yes. During July 2026, Novatti Group Limited disposed of 1.5 million of shares in AUDC Pty Ltd and received a proceed of $1.2M (excluding costs).

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: Yes. The key business segments delivered positive earnings before interest, tax, depreciation and amortisation during this quarter. Transaction volumes continue to increase across Issuing and Acquiring platforms (part of Payments AU/NZ segment). Additionally, the Group retains investments in other non-core assets that may be divested to support funding needs, if required.

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.

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: 31 July 2026

This announcement has been approved for release to the ASX by Chairman, Peter Pawlowitsch and CEO, Mark Healy.

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.