ASX Release
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September 2025 Quarterly Business Review

Decidr AI Industries Ltd (ASX: DAI) ("DAI", "DAI Industries" or "the Company"), an Agentic AI Enablement Group and majority owner of Decidr.ai Pty Ltd ("Decidr") is pleased to provide its quarterly activities report for the period ending 30 September 2025 ("Q1 FY26").

Highlights

- **DAI entered into a binding agreement to acquire the remaining 49% of Decidr.ai (subject to shareholder approval at the Company's AGM on 14 November 2025).**
- **September 2025 annualised Decidr revenue of $2.5M, +39% in quarterly exit rate from June 2025, in Decidr's third full quarter of commercialisation.**
- **Successfully launched DecidrOS, its unified AI platform (October 7 2025), receiving strong early demand and eligible paid customer onboarding in the OSBeta program.**
- **Partner commercialisation and expansion ongoing, reflected by:**
    - **Several previously announced partnerships moving into commercial deployment in October (eg. eBev, ELMO, Go1), expecting Q2 FY26 revenues; and**
    - **New commercial partnerships with Sugarwork (US), NowBookIt (AU), SBX (AU) and a global systems integrator.**
- **CareerOne agentic app ("C1.ai") released in full production (Decidr co-created product) - delivering $0.15M in exit rate revenues at the end of the quarter (Sep '25).**
- **Amazon Web Services (AWS) partnership on-track, moving into Beta testing with customers for Fastrack Program internal case study production (Q2 FY26).**
- **Decidr agentic Sales and Marketing Assistant approved within Shopify marketplace, moving to production in Q2 FY26**
- **Edible Beauty quarterly performance pleasing, delivering 10% uplift in quarterly gross margins to 60% - from 50% in the prior year comparison period - supported by sustained cost efficiencies across freight, logistics, and supplier pricing. Sales in the quarter of $306,000 was consistent with prior year comparison of $304,000 amid weak national discretionary trading conditions.**
- **Strong cash position of $29.5M at 30 September 2025, following:**
    - **Successful share placement, raising $20.0M (Sept '25); and**
    - **Conversion of options, raising a further $8.2M.**
- **DAI's FY26 growth strategy continues to focus on expanding deployment of DecidrOS across commercial and enterprise partners, cementing DAI's role as a foundational player in the emerging Agentic Economy.**

Decidr.ai acquisition and Strategic Integration

In August 2025, subject to shareholder approval at the Annual General Meeting on 14 November 2025, Decidr AI Industries Ltd (ASX: DAI) entered into a binding agreement to acquire the remaining 49% interest in Decidr.ai Pty Ltd, securing 100% ownership of its flagship AI platform. The transaction, to be settled through the issue of 78.4 million shares to Decidr Group Pty Ltd, represents a pivotal step in consolidating Decidr's Agentic AI technology, governance, and leadership under a single structure. Full ownership positions the Company to accelerate DecidrOS deployment, streamline global expansion, and integrate product development, go-to-market, and customer success functions within a unified platform model.

Alignment with Original AI Enablement Strategy

This acquisition represents the natural evolution of the Company's AI Enablement Strategy, first outlined in May 2024, which aimed to transform business operations through embedded AI capabilities and scalable automation. That strategy followed a dual-track approach—simultaneously improving internal operations within the Group (beginning with Edible Beauty) while extending Decidr's AI solutions across external industry verticals.

The success of this approach validated the horizontal potential of Decidr's technology, demonstrating how AI can be systematically embedded into workflows across retail, FMCG, HR, and hospitality sectors. The acquisition of the remaining Decidr.ai equity formalises the transition from AI enablement to a fully Agentic Operating System model, positioning DAI as a technology-first enterprise architected for the Agentic Web.

Strategic Outlook

With 100% ownership of Decidr.ai, DAI is now positioned to accelerate the DecidrOS rollout, expand international operations, and strengthen recurring revenue from platform-based partnerships. This structure enables DAI to capture full value created from its intellectual property while increasing operational leverage through unified leadership and streamlined governance.

The Company's focus in coming quarters will centre on expanding deployment of DecidrOS across commercial and enterprise partners, cementing DAI's role as a foundational player in the emerging Agentic Economy.

DecidrOS Beta Launch and Platform Update

In May 2025, the Decidr executive team made a strategic decision to accelerate the commercialisation of its flagship platform, DecidrOS, transitioning from the Company's prior Stateless Agent development track. As part of this strategic shift, customers on legacy agent contracts were informed that their programs and associated fees would

pause until the launch of DecidrOS in October 2025. Customers with long-term agreements were grandfathered into the DecidrOS Beta program, ensuring continuity and early access to the platform's next-generation capabilities. This strategic decision resulted in reduced revenues and cash receipts from platform fees during the quarter. 100% of revenues were from partners as DecidrOS revenues were grandfathered into the October 2025 OSBeta launch.

The Decidr Onboarding Studio—a component of Decidr's original agentic workflow system enabling seamless integration and deployment of Agentic AI was re-engineered into the broader DecidrOS platform. This evolution consolidated onboarding, orchestration, and automation into a single unified interface designed to simplify implementation and scale across customer environments. This rebranding aligns with Decidr's commitment to delivering a unified, intuitive, and horizontally scalable agentic ecosystem.

DecidrOS combines Decidr's horizontal architecture with its no-code orchestration system to deliver a platform that allows organisations to rapidly deploy Agentic Apps across departments and use cases. Development and internal testing formally commenced in late May 2025 and advanced rapidly toward the Beta milestone in October 2025. During this period, Decidr onboarded a select group of Preview Customers—high-incidence B2B businesses in Australia with substantial workflow integration potential—to test and refine the platform. Feedback from this cohort has been positive, confirming the system's ability to unify data, automate tasks, and intelligently orchestrate decisions across multiple functions.

Ben Read, CEO of Mercha and one of the selected OS Preview and Beta customers, commented:

"We're excited to be among the first businesses working with Decidr. Over the coming months, we're eager to collaborate closely with the Decidr team to build out the Agentic Business model for Mercha and shape the future of how our operations scale intelligently."

The integrated platform launched on 7 October 2025. Technical teams achieved significant milestones in the no-code builder and federated data integration systems, enabling the platform to connect to widely used enterprise applications—including finance, HR, CRM, and ERP systems—which are critical for cross-functional orchestration.

Demand from potential participants significantly exceeded expectations, leading Decidr to temporarily close new Beta applications while onboarding continues for qualified Preview and Beta participants. Onboarding is expected to complete by the end of the quarter for the entire cohort.

Decidr continues to collaborate closely with AWS through its APJ FasTrack partnership, with the goal of embedding DecidrOS infrastructure into global cloud systems and extending the reach of the Agentic Web across enterprise and SME markets. Both organisations are in discussions regarding the selection of OS Beta customers for internal AWS case study development. This process is on track, with completed case studies aiming to share with internal AWS resources in early 2026.

Partnerships Update

The Company expects revenue contributions in Q2 FY2026 with several partnerships moving into commercial deployment in October. In addition to CareerOne and The Growth Faculty, Go1, ELMO Software, and eBev have now deployed Decidr's Agentic AI technologies across their customer networks. Each partner operates in a high-volume B2B environment—spanning learning, HR, recruitment, and procurement—providing recurring subscription revenues and network effects that reinforce Decidr's embedded distribution model. Together, these implementations represent the first scaled wave of DecidrOS-powered products in the market and are expected to add to the Company's revenue base through FY26 and beyond.

The Growth Faculty
AI Mentors officially launched commercially on 1 July, following co-development between Decidr and TGF. The program rollout was completed during the quarter and is now live with active customer adoption.

CareerOne
The partnership with CareerOne delivered exceptional results, highlighted by a sevenfold increase in Monthly Recurring Revenue (MRR) from the June 2025 result following the launch of CareerOne's new AI-powered recruitment tools built on Decidr's agentic framework. The technology now parses several hundred thousand CVs and applications monthly, embedding Decidr's orchestration layer deeply into the job board ecosystem.

ELMO Software
ELMO's customer beta for the agentic candidate ranking app progressed steadily through the quarter and was promoted commercially in October 2025.

Go1
In partnership with Decidr, the two companies have co-created Skillstarter, an AI-powered learning application that curates customised learning playlists from Go1's extensive content library. The product will be distributed nationally via the CareerOne platform to businesses posting job ads in Q2 FY26, helping employers seamlessly upskill new hires as they begin their roles while driving measurable productivity and engagement gains across the workforce.

eBev
Decidr and eBev launched an Agentic Procurement App piloted in September 2025 with multiple venues. The pilot has demonstrated meaningful time savings and margin savings. A full commercial rollout is underway for Q2 FY26.

New Partner Additions and Memberships

- **Sugarwork** (US): A new embedded distribution agreement focused on AI-driven workforce transition and succession tools.
- **SBX Business Brokers**: Formalised partnership to explore future purchase paths for AI-first SMEs, aligning with Decidr's long-term Agentic SME vision.
- **Tech Council of Australia**: Decidr formally joined as a member, to participate in national conversations on AI policy, ethics, and commercial deployment.
- **A global systems integrator:** a teaming agreement was signed in October 2025 to explore enterprise opportunities in APAC using the DecidrOS platform with ERP customers.

Specifically for the **Amazon Web Services ("AWS") partnership**, both businesses continue to collaborate on early case studies to bring to market over the next two quarters, which will be supportive of future growth opportunities. These case studies are linked directly to the selection and deployment of BetaOS customers on the DecidrOS platform.

Edible Beauty Update

Edible Beauty delivered a stable first quarter result, with sales up 1% on the prior corresponding period, consistent with ABS data showing weak discretionary spend across Australia. The result was supported by continued e-commerce resilience and stronger wholesale performance. Online sales remained consistent year-on-year, while wholesale revenue increased 2% and exceeded budget by 7%, underpinned by ongoing growth from the SEA Distributor (Lumi Asia) and new retail partnerships secured with Vital.ly, RY.com and AbsoluteSkin.com in the quarter.

Gross margin strengthened to 60%, up 10 percentage points on the prior year, reflecting improved pricing discipline, reduced discounting, and optimisation of the shipping threshold. Average order value increased 35% to $99, while paid media efficiency improved, with ROAS rising 17% year-on-year to 2.95x.

The Company remains focused on executing through the peak e-commerce trading period, rebuilding customer acquisition momentum, and strengthening domestic and international distribution partnerships. Continued focus on marketing efficiency and cost discipline is expected to support sustainable margin recovery and position the business for growth into the second half of FY26.

Capital Raising & Financial Position

The Company raised **$20.0m** from an oversubscribed Share Placement (before costs) during September, at $0.90c per share representing a 4.3% discount to last close. This represents 9.7% dilution post the Placement.

Proceeds of the equity raise will be used to fund working capital to accelerate existing deployments, expand the existing customer base, growth capital to acquire new partners, pre-board businesses and for further development of DecidrOS and expand into international markets.

The Placement was supported predominantly by existing and new institutional investors. Morgans Corporate Limited acted as sole Lead Manager and bookrunner to the Placement. The company incurred associated capital raising costs of $990,000.

The Company raised $8,200,000 from the conversion both listed and unlisted options. The company incurred capital raising costs of $157,000 associated with the underwriting of the listed options class.

The Company has $660,000 of partner incentive prepayments on the balance sheet at the end of the period. Per the partner commercial agreement terms, Decidr claws back 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 $29.5m as at 30 September 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 $544,000 as follows;

- Edible Beauty cash receipts of $308,000;
- Decidr cash receipts of $236,000.

Expenditure during the quarter

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

- R&D expenditure amounted to $1,275,000;
- Product and manufacturing expenditure amounted to $531,000;
- Advertising and marketing expenditure amounted to $518,000;
- Staff related expenditure amounted to $1,703,000; and
- Administrative and corporate costs amounted to $1,036,000.

Operating Activities - Form 4C	**-$4.45m**
Non-recurring cash costs:	
New Partnership recoverable incentive prepayments	+$0.18m
DecidrOS AI-Business pre-boarding data costs	+$0.13m
Non-capitalised legal, and other advisory costs related to Decidr 49% purchase; US corporate set-up and related tax advice; Option conversions; Option underwriting; Share placement.	+$0.10m
Personnel costs	+$0.09m
Operatings Activities - normalised	**-$3.95m**

During the quarter, operating expenditure reflected the Company's strategic decision to fast-track the development and commercialisation of DecidrOS, resulting in higher R&D and targeted marketing costs as engineering and product teams accelerated the platform's Beta release. In October, the business underwent a structural realignment to better align its human workforce with the growing suite of Agentic App capabilities within the DecidrOS platform. This restructure has delivered efficiency gains, with approximately **$0.7 million** in annualised staff costs removed as the organisation transitions toward an AI-enabled operating model that leverages its own technology to scale more effectively.

During the quarter, the Company incurred the following investing cash outflows;

- Funds received of $24,000 being contract deferred consideration payments for the 13Seeds business, offset by;
- Funds spent of $13,000 for property and equipment; and
- Funds spent of $232,000 provided for a loan to a strategic partner

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

- Funds received for share issues via a share placement of $20,000,000. The company incurred associated capital raising costs of $990,000;
- Funds received for share issues via option exercises of $8,200,000. The company incurred capital raising costs of $157,000, via an underwriting agreement with Morgans Corporate over the remaining tranche of the 25c option class.

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

- Loan repayments of $600,000 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 $10.7m, and is interest free.

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

Additional Information

The amount of $122,000 included in section 6.1 of the accompanying Appendix 4C (payments to related parties) relates to Directors fees and superannuation payments for September 2025 quarter.

-Ends-

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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 AI Enablement Group with a controlling interest in AI platform Decidr.ai. Following the successful deployment of organisational AI applications built on Decidr's proprietary technology, the Group is increasing its focus on AI-enablement. We will leverage this technology to drive innovation through new product development, expanding into multiple industries and geographies to unlock rapid growth and gain a competitive edge for its existing businesses and go-to-market strategy.

To be updated on all DAI activities, news and access historical information register on the DAI Investor Portal: https://decidrindustries.ai/auth/signup

For more information see https://decidrindustries.ai

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