ABN 23 629 193 764 | PEXA Group Limited

ASX Announcement: PXA

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PEXA reports First Half 2026 Results

Strong revenues on core exchange combine with cost efficiencies and continued recovery in UK market to drive uplift in Group performance

Melbourne, Australia - PEXA Group Limited (ASX: PXA) ("PEXA" or "Group") today announces its results for the six months ended 31 December 2025 (1H26).

Core financial operating results continuing operations[1]

	1H26	1H25	Change
Group revenue	\$215.3m	\$195.9m	+10%
Group EBITDA margin[2]	39.9%	36.8%	+3.1ppt
Group EBITDA	\$85.8m	\$72.1m	+19%
Group NPATA[3]	\$40.3m	\$30.4m	+33%
Group NPAT continuing operations	\$15.4m	(\$29.5m)	>100%
Earnings per share from continuing ops	8.7cps	(16.7cps)	+25.4cps
Free cashflow	\$40.2m	\$32.2m	25%
Leverage (Net debt/EBITDA)	1.4x	2.0x	(0.6x)

Commenting on the result, **Russell Cohen, PEXA's Chief Executive Officer and Group Managing Director**, stated:

"PEXA delivered a strong result in the first half in FY26, underpinned by record transaction volumes in Australia, disciplined cost management and continued progress in the UK. On top of a 10% growth in Group revenue, we delivered EBITDA growth of 19%, with EBITDA margins increasing to 39.9% from 36.8% in 1H25. This reflects operating leverage from higher volumes and the benefits of our cost optimisation program, which is expected to deliver more than \$10 million in annualised cash savings.

In Australia, we processed record transaction volumes in 1H26. On 19th December, an all-time daily transaction record was set with 41,000 transactions processed, beating the previous high from 2024 by 14%. In fact, 5 out of the 10 days with the highest daily settlement value in PEXA's history occurred in December '25.

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[1] Core financial operating results from continuing operations represents statutory results adjusted for significant non-recurring items. Non-IFRS measure

[2] Group EBITDA / Revenue

[3] Group NPATA represents core financial operating results, with statutory NPAT from continuing operations adjusted for significant items, as well as historical acquired amortisation and is a non-IFRS measure

In the UK, we were pleased to see ongoing market recovery, with Sale & Purchase volumes up 15% and remortgage volumes up 24% on the prior corresponding period. We continued our lender engagement and commenced the NatWest implementation program, with completion of remortgages on track for 4Q26. Following the formal launch of PEXA's product suite to the UK conveyancing market in September, we saw an uptick in conveyancer engagement and have commenced onboarding conveyancers onto our platform.

After a significant period of change across the Group, I am incredibly proud of what our team has achieved this half – unifying on a clearer set of initiatives, a company-wide embrace of AI tools and continued advocacy for digitisation in our industry. Our newly formed leadership team and I are tremendously energised by the opportunity ahead."

Financial Summary

Group revenue increased 10% to $215.3m (1H25: $195.9m), driven by record transaction volumes in Australia and continued recovery in UK property markets.

Operating expenses increased due to planned investment in UK platform capability and lender onboarding, partially offset by cost efficiency measures and right-sizing our Australian business. As a result, Group EBITDA rose 19% to $85.8m and Group EBITDA margin increased 3.1 percentage points to 39.9%.

On the back of our robust revenue and cost discipline, Group NPATA increased 33% to $40.3m, reflecting higher operating earnings. Group NPAT from continuing operations was $15.4m, compared to a loss of ($29.5m) in 1H25.

Significant items[4] totalled ($7.7m), primarily relating to redundancy and restructuring costs associated with the Group's cost optimisation program in Australia, which is expected to deliver >$10m in annual cash savings to the Group. Net impairments of ($26.1m) were reflected in the results of discontinued operations, relating to the Group's winding up of its Digital Solutions business segment.

Free cash flow increased 25% to $40.2m, supporting repayment of $25m of debt during the half. Net leverage improved to 1.4x on a last twelve months basis.

Australia

The Australia segment delivered strong revenue and margin growth, supported by record transaction volumes and financial optimisation initiatives.

Transfer volumes increased 7% on the prior corresponding period, while refinance volumes increased 14%, reflecting improved borrower sentiment and lender competition.

Australia EBITDA margin expanded to 58.0% (1H25: 55.6%), driven by operating leverage and cost discipline. Expenses decreased 2.6%, with spending on regulatory fees, investment in resilience and platform enhancements more than offset by cost savings initiatives.

PEXA invested capex of $17.1m in Australia during 1H26, including improvements to the platform infrastructure, building out our AML product ahead of the 1 July 2026 compliance date, initiating coverage in Northern Territory and expanding volumes in Western Australia and Tasmania, as well as

[4] Significant items are non-recurring items

delivering new and improved features for our customers and improving the security and resilience of the platform. PEXA's market coverage currently sits at 90%.

In December 2025, PEXA noted the release of two independent reports commissioned by ARNECC into Interoperability- the Cost Benefit Analysis and a Functional Requirements Review.

Russell Cohen, PEXA's Chief Executive Officer and Group Managing Director, said: "*Read together, we believe the two reports commissioned by ARNECC suggest that the objectives of the Interoperability Program, as originally conceived, can no longer be delivered in their initial form and we believe there is no better solution than the established national network that has and continues to serve Australia so well. We plan to work with our regulator and policymakers on a program of regulatory uplift to ensure that there is appropriate regulation and the right regulatory framework to ensure the best customer and consumer outcomes.*"

International

PEXA's International business delivered improved revenue performance as UK property markets continued to recover, with revenue of $33.5m, up 8.4% on 1H25, or 3.6% on a constant currency basis with revenue growth in the half impacted by the cessation of a low margin search contract within Smoove in prior periods. Gross margin in the period increased 20.1% on 1H25 on a constant currency basis.

Sale & Purchase volumes increased 15% on 1H25, with higher average fees in Sale & Purchase providing a tailwind to the market recovery. Remortgage volumes across Smoove and Optima Legal increased 24%.

Operating expenses increased to support lender onboarding and platform development, with the majority of investment weighted to 2H26. EBITDA remained flat with operating cash outflows reducing by ($1.6m) compared to the prior corresponding period.

PEXA UK's NatWest implementation commenced during the half and is tracking well. We remain on track for completion in 4Q26. Engagement with other Tier 1 lenders continues to progress well. PEXA also launched its broader UK product suite to conveyancers in 1Q26, with a subsequent uptick in conveyancer engagement and onboarding.

Capital management

PEXA continued to strengthen its balance sheet in 1H26. Net debt to EBITDA (LTM basis) reduced to 1.4x, compared to 2.0x at 1H25.

The FY25 buyback program has ceased, as PEXA commits to paying down existing debt, reinvesting in existing assets and exploring profitable long term growth opportunities.

With 3 criteria for new market entry, being (1) capital light, (2) de-risked with local partners and (3) a regulatory environment conducive to PEXA's operations, the Group remains committed to disciplined capital allocation.

Outlook and core operating guidance

In the second half of FY26, PEXA will focus on a successful market launch of our AML product, "PEXA Clear", in advance of the 1 July 2026 compliance date. We will continue to drive resilience and innovation in Australia, deliver the NatWest implementation and expand lender engagement in the UK, and maintain disciplined cost control and capital allocation to support sustainable long-term growth.

As announced to the market on 16 February 2026, PEXA restated its FY26 Guidance for core operations to exclude discontinued operations and to reflect Australian and UK market strength in 1H26. In 2H26, margins are expected to be softer due to seasonally lower transaction volumes and an expected increase in expenses in Australia and International.

Key guidance[5] metrics are outlined below:

Metric	Previous FY26 Guidance	Restated FY26 Guidance
Group Revenue	$405m to $430m	$395m to $415m
Group EBITDA margin[5]	32% - 35%	34% - 37%
Group Core NPAT[5] continuing operations	$5m to $15m	$15m to $25m
Group CAPEX	($60m) to ($65m)	($50m) to ($55m)
International operating cash flow	($59m) to ($63m)	($59m) to ($63m)

[5] Financial results from core operations; represent reported results adjusted for significant non-recurring items.

This release was authorised by the Board of PEXA Group Limited.

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About PEXA

PEXA (Property Exchange Australia) is a world-leading, digital property exchange business, listed on the Australian Stock Exchange. Since 2013, PEXA has facilitated more than 26 million property settlements, and today, 90% of all property transfer settlements in Australia are processed on the PEXA platform. In 2022, PEXA commenced its international expansion through entry into the UK digital refinancing market, followed by the UK launch of PEXA's Sale & Purchase capability in 2025.