ASX ANNOUNCEMENT

Enero Group delivers 9% EBITDA growth and 54% growth in adjusted net profit and EPS in FY26

21 August 2026

Enero Group Limited (ASX:EGG) (Enero), a leading global group of marketing and technology agencies, announces its results for the twelve months ended 30 June 2026 (FY26), delivering 9% EBITDA growth, margin expansion, and a record performance from its Australian-based agencies.

Key highlights (excluding significant items and discontinuing operations)

Continuing Operations[1] ($ million)	FY26	FY25	% Change
Net revenue[2]	**129.5**	138.7	(7%)
EBITDA[3]	**15.3**	14.1	9%
EBITDA margin	**11.8%**	10.2%	1.6 ppts
Adjusted[4] net profit after tax attributable to equity holders (Adjusted NPAT)	**6.4**	4.2	54%
Adjusted[4] earnings per share (Adjusted EPS)	**7.0 cents**	4.6 cents	54%

Notes:
1. Continuing operations excludes OBMedia sold on 30 June 2025
2. Net revenue is gross revenue recognised in accordance with AASB15 less directly attributable cost of sales
3. EBITDA is profit before interest, taxes, depreciation, amortisation and any significant items
4. Adjusted net profit and earnings per share excludes amortisation on acquired intangibles which have been excluded due to one-off and non-cash nature

Continuing operations performance

On a continuing operations basis, EBITDA grew 9% year-on-year (YoY) to $15.3 million and EBITDA margin improved 1.6 percentage points to 11.8%, driven by an ongoing focus on operational excellence, disciplined cost management and a lean corporate centre that delivered an 8% YoY reduction in expenses. Net revenue declined 7% YoY to $129.5 million, reflecting challenging international technology market conditions and the ongoing transformation underway at Hotwire and an unfavourable USD exchange rate decline. In constant currency, net revenue declined 5% YoY and Group EBITDA increased 11% YoY. Adjusted NPAT rose 54% YoY to $6.4 million, reflecting EBITDA growth and a lower tax expense.

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The Group recorded a statutory net loss after tax attributable to equity owners of $37.4 million (FY25: net loss of $4.1 million), after a non-cash impairment and intangible write-down of $39.8 million ($38.6 million net of tax) against goodwill and brand name, predominantly driven by the near-term performance of ROI·DNA.

At 30 June 2026, net cash on the balance sheet remained robust at $24.5 million (30 June 2025: $27.5 million).

Technology, Healthcare and Consumer Practice

Technology, Healthcare and Consumer Practice (THC Practice) EBITDA of $22.3 million declined 3% YoY in FY26, a decline of 1% in constant currency, while EBITDA margin improved 0.7 percentage points to 17.2%. Net revenue of $129.5 million down 7% YoY. All three agencies delivered double-digit EBITDA margins, with both Australian agencies delivering strong margins in the twenties.

Hotwire Global

Hotwire maintained double-digit EBITDA margins while continuing to implement its transformation to extend its strength in Reputation, Relationship and Revenue services which combines PR and performance marketing capabilities to address both the communications and marketing effectiveness of its technology clients. New first of a kind partnerships with Morning Consult and Lilypath have expanded the value creation for clients through deeper insights and authoritative content.

In addition, Hotwire continued to diversify from a challenging core technology market, expanding into adjacent markets, with FY26 H2 wins including Tineco and VeSync.

Lower, more volatile client spend, driven by clients' AI investment and persistent softness in the technology sector, reduced net revenue by 19% YoY to $63.3 million. EBITDA declined 33% YoY to $7.4 million. However, continued restructuring and productivity gains lowered costs by 15% versus FY25 in constant currency, to deliver an EBITDA margin of 11.6%, improving from 10.8% in FY26 H1 to 12.6% in FY26 H2. A weakening US dollar in FY26 H2 reduced reported revenue and EBITDA in Australian dollars when consolidated into the group's results.

Hotwire's AI Lab continued to both propel Enero's AI transformation and build market momentum in FY26, lifting win rates and revenue, with FY26 Q4 AI Lab revenue three times that of FY26 Q1.

BMF

BMF delivered record EBITDA of $8.8 million in FY26, up 27% YoY, on net revenue growth of 11% to $38.0 million. EBITDA margin expanded 3.1 percentage points to 23.2%, from 20.1% in FY25. Despite Westpac and Endeavour relationships concluding in FY26 Q4, new business momentum remained strong, with wins from Asahi Group and Superloop late in the year partly offsetting the impact. BMF reshaped its cost base in FY26 Q4 to realign skills and capabilities to its client portfolio.

BMF again led the industry on creative effectiveness in FY26, winning a Global Grand Effie for ALDI Australia's 'Shop ALDI First', making it the most effective retail campaign in the world, and winning Creative Agency of the Year at the AdNews Awards.

Orchard

In FY26, Orchard delivered a record year in both EBITDA and net revenue, with EBITDA of $6.1 million, up 25% YoY, and net revenue growth of 9% YoY to $28.2 million. EBITDA margin expanded 2.8 percentage points to 21.8% from 19.0% in FY25.

Orchard's healthcare vertical continued to perform strongly through the year, holding agency-of-record status for Lilly's GLP-1 portfolio across Australia and New Zealand, expanding geographically, winning new clients and growing remits with existing ones. The consumer vertical benefited from new business and geographical expansion, which was partly offset by reduced spend from some existing clients.

Orchard's work was again recognised in FY26, winning Marketing Campaign of the Year at the PRIME Healthcare Awards for the third time in five years and Optimizely's Customer Partner of the Year for the second consecutive year.

AI as infrastructure across the group

Enero accelerated its AI investment in FY26, focusing on efficiency and effectiveness benefits, in which each agency builds proprietary capability suited to its own clients and market while the corporate centre provides the group-wide infrastructure, security and governance required to deploy it at scale.

Enero's scale and structure allow it to adopt and embed new technology quickly, with each agency able to innovate and commercialise against its own client needs rather than wait on a single centralised system. The Group's objective is not to layer AI over existing ways of working but to use it to reinvent how a marketing services business operates. This agenda is led directly by the Group CEO, whose experience spanning technology, professional services and private equity, and track record in large-scale operational and technology transformation, positions the Group to execute it with pace, effectiveness and discipline.

Hotwire's AI Lab is delivering commercial benefits and building momentum, increasing win rates and growing revenue, with FY26 Q4 AI Lab revenue three times that of FY26 Q1. A fourth AI Lab product was piloted in FY26 with full commercial launch planned for FY27.

BMF formalised a proprietary AI platform centred around creative effectiveness, production, delivery and operations, already reducing delivery times on client work including a 36% reduction in image delivery time from AI-accelerated asset production.

Orchard implemented its 'Agentic by Default' program across the agency to reinvent its operating model around AI, already delivering efficiency gains on AI-led development, and now holds accreditation across major marketing AI platforms including Optimizely Opal, positioning Orchard as the partner of choice for clients implementing AI capability in their own marketing operations.

Commenting on the results, Enero Group CEO, Ian Ball said:

"Our FY26 results demonstrate the strength of Enero's portfolio and the discipline with which we have managed it through a period of significant change in our industry. Record earnings at both of our Australian agencies, with Orchard also delivering its highest ever revenue, drove the Group's profit growth and margin expansion, and those businesses now represent a considerably larger contribution to Group earnings than they did a year ago.

"We have moved decisively to address the dynamic market conditions affecting Hotwire. The appointment of Grant Toups as Global CEO in January brought experienced leadership to the next stage of the agency's transformation and Hotwire has continued to win clients across both its core technology market and the adjacent sectors into which we are deliberately expanding.

"AI is now embedded in how each of our agencies works, from BMF's proprietary platform and Orchard's 'Agentic by Default' program to Hotwire's AI Lab, supported by infrastructure and governance we manage at Group level. Our ambition is not to apply AI to the way marketing services have always been delivered, but to use it to reinvent how this business operates, and our size allows us to move quickly. That capability is already delivering measurable returns for clients, and we will continue to build on it through FY27 and beyond.

"With three award-winning agencies, each with strong leadership and a distinct proposition, Enero is well placed to create long-term value for clients, attract exceptional talent and deliver strong returns for shareholders."

Final dividend supported by a robust cash balance

The Directors have declared a FY26 final dividend of 1.4 cents per share, fully franked, representing a payout ratio of 31% on adjusted EPS. The final dividend will have a record date of 8 September 2026 and a payment date of 1 October 2026.

Enero is targeting dividend payments consistent with its historical payout ratio of 30% - 50% of adjusted earnings per share (equivalent to the previously disclosed 40% - 60% of Earnings Per Share).

Outlook

Hotwire Global

- Transformation continues into FY27 with AI acceleration a key focus to drive client impact and efficient delivery of work
- Continued diversification into tech adjacent markets and expansion of AI Labs in FY27
- Strengthening leadership in FY27 with new leaders in US and across Europe to be appointed in FY27 to build pipeline
- ROI·DNA's revenue exposed to clients insourcing work as they adopt AI, leading to an expected revenue reduction of 30-50% for FY27 vs FY26 H2 average run rate. As a result, the business will hold less client cash
- ROI·DNA and Hotwire capabilities will be further integrated in FY27. The change delivers a materially lower cost base and simplifies the operating model, protecting and optimising EBITDA

- FY27 revenue planning assumption of 5-15% below FY26 H2 average run rate reflecting AI disruption at ROI·DNA and continued volatility in the technology industry

BMF

- FY27 revenue planning assumption of ~10-15% below FY26 H2 average run rate reflecting changes in client portfolio
- BMF transformed its operating model in FY26 Q4 to drive a lower cost base including implementation of AI and offshore delivery capability. Acceleration of AI adoption will continue in FY27
- As a result, margins are expected to improve through the year
- BMF's pipeline and new business activity remains strong
- A full-service Melbourne capability will be built out during FY27 H1

Orchard

- Expect positive momentum in FY26 to continue into FY27
- Geographic expansion in Healthcare and Consumer in FY26 expected to deliver additional revenue in FY27
- 'Agentic by Default' AI-led delivery model to be fully launched in FY27 delivering further efficiencies

Corporate Costs

- Corporate costs largely flat excluding new investment in AI and normalisation of bonuses

Share-Based Payments (SBP)

- Normalisation expected in FY27 off low expense base in FY26 driven by reduction of probability weighted expense of SBP program

Commenting on the outlook, Enero Group CEO, Ian Ball said:

"While FY27 will present continued challenges in some markets, the Group enters the year with a leaner and more automated operating model. We are relentlessly focused on delivering client value through deeper insights, faster innovation and continued creative effectiveness. Extending our implementation of AI will improve our cost base and productivity and position Enero strongly in this evolving environment."

Investor conference call being held at 10:00am AEST today

An investor conference call with Ian Ball (CEO) and Tracy Leung (CFO) will be held today at 10:00am AEST. To participate, please register by going to https://s1.c-conf.com/diamondpass/10055619-axv3ur.html. Registered participants will be able to participate in the Q&A.

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This announcement was authorised for release by the Board of Directors.

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About Enero

Enero Group is a global group of marketing and technology agencies listed on the ASX (Australian Stock Exchange) that includes creative agency BMF, PR and integrated communications agencies the Hotwire Group and digital and experiential agency Orchard. Enero operates in the high-growth industries of Technology, Healthcare and Consumer, utilising innovative and independent thinking to deliver impactful, strategic business solutions for our clients.

Forward Looking Statements

Certain statements made in this release are forward-looking statements. These forward-looking statements are not historical facts but rather are based on Enero Group's current expectations, estimates and projections about the industry in which Enero Group operates, and beliefs and assumptions. Forward looking statements can generally be identified by the use of forward-looking words such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'will', 'could', 'may', 'target', 'plan' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Enero Group, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Enero Group cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Enero Group only as of the date of this release. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.