



1 September 2025

Market Announcement

For immediate release

Guidance update

AoFrio (“AOF”) released its interim report for the six months ended 30 June 2025 (H1-25) on 8 August 2025 which included guidance for FY25 and commented on Board and management initiatives to accelerate growth. The Company can continue to execute its current FY2025 business plans with existing funding and resources, and current initiatives are expected to lead to further growth in FY2026. In addition to current plans, there are additional attractive and strategically adjacent near-term opportunities available to AOF that would require further resources to execute, and the Company is considering whether and how it could pursue these, with no decision yet made.

For FY25, AOF stated that revenue and EBITDA are expected to be at the lower end of the previously advised guidance range. Revenue for FY25 is expected to be around \$86 million, 7.9% above FY24. EBITDA is expected to be around \$3.5 million, a \$1.0 million improvement on that recorded in 2024.

Revenue in the six months ended 31 December 2025 (H2-25) is expected to be level with H1-25 but EBITDA performance will be much stronger as the sales mix improves towards a greater proportion of IoT.

NZD\$m	H1-FY25 Actual	H2-FY25 Guidance	FY2025 Guidance	FY2024 Actual	Year-on-year change
Revenue	43.0	43.0	86.0	79.7	7.9%
Gross Margin	29.6%	32.6%	31.0%	29.1%	+1.9pp
EBITDA	0.7	2.8	3.5	2.5	39.2%

The Company remains on track to continue the year on year improvement in revenue and earnings. Revenue around \$86 million would be a record high for AOF.

AOF has made good progress this year on new product development and has already launched products that are expected to drive strong revenue growth from 2026.

AOF has a very strong share (~70%) of the connected controller market in Latin and South America for its Bluetooth-connected product but has been unable to penetrate other regions, including the US market, which require cellular connected controllers. The recently launched SCS800 is AOF’s cellular-connected solution. This is currently progressing through customer trials and regulatory approvals and expected to be available in Q1-FY26. Our assessment of the market opportunity for this product to cold drink equipment (CDE) customers in just the USA and Europe is around 650k controllers annually with the Total Addressable Market (TAM) estimated at \$73m annually, with software revenue additional to that. The Company estimates it will win a significant share of this market in the next few years.

AOF has historically provided customers with data insights from our connected controllers through a desktop application and customised reporting. While these reporting tools were functional and deliver useful information to our customers, they lack the flexibility and scalability required for future growth and the delivery of new features at global scale. The Company has now launched *AoFrio iQ*, a next-generation, web-based SaaS platform that moves beyond static reporting to deliver dynamic insights, system integrations, and workflow-based actions that helps customers act directly on data. This enhanced solution is designed to create stronger recurring revenue streams for AOF, with annual subscription fees expected to grow as additional features are released and customer adoption expands.



There is also strong demand from CDE customers for a camera solution which will enable them to maximise asset profitability through planogram compliance, timely restocking and effective retail execution at point of sale. The Company expects a camera solution to be offered to customers in 2026. AOF expects at that point it will be the only supplier to CDE customers offering a total solution – hardware and software as well as in market support.

The Company will also complete the development of its expanded fan pack motor range this year which is expected to increase motor revenues from 2026 as the broader fan pack range opens additional market segments.

AOF is continuing to progress its diversification strategy to supply solutions for the food retail market segment. Numerous customer proof-of-concept trials are being supported which are helping AOF to define the solution that customers require. No significant revenue from this segment is expected until at least 2027.

All these new product initiatives have been funded from operating cash flows, and this can continue without additional resources and capital. However, there are very significant market opportunities for AOF in both the food retail and ice cream market segments as well as broader revenue opportunities in the CDE segment. These opportunities are currently available but have a limited execution window.

The Board and management would prefer to progress with the broader range of growth opportunities but note that to do so would require additional investment. The Board is presently considering how this expansion might best be achieved.

Nevertheless, the key messages from this update are that AOF expects to deliver record revenues in FY2025, along with a significant increase in EBITDA and does not require additional capital to fund currently planned activities.

**EBITDA (i.e., Earnings before interest, taxation, depreciation, amortisation, and impairment) is a non-GAAP earnings figure that equity analysts tend to focus on for comparable company performance analysis. AoFrio considers it a valuable financial indicator because it avoids the distortions caused by differences in amortisation and impairment policies. Contact*

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