

ASX ANNOUNCEMENT

1 September 2025

Norwood varies cash drawdown facility

Variation to cash drawdown facility

Norwood Systems Ltd (Norwood or the Company) (ASX: NOR) wishes to advise that it has entered into an eleventh deed of variation to a loan agreement that provided access to a cash drawdown capital facility of up to \$300,000 (ASX Announcement dated 30 April 2024, titled “Norwood secures new cash drawdown facility of \$300k”).

The loan was advanced by Balmain Resources Pty Ltd (Balmain), a company that director, Dr John Tarrant controls. Under the first deed of variation (announced to ASX on 30 September 2024), the cash drawdown facility amount was varied to \$430,000. Under the second deed of variation, the loan was increased to \$580,000 (announced to ASX on 29 October 2024). Under the third deed of variation, the loan increased to \$640,000 (announced to ASX on 29 November 2024). Under the fourth deed of variation, interest and fees were capitalised bringing the new principle to \$699,602.84 as of 1st January 2025 and the repayment date was extended to 31 January 2025 (announced to ASX on 31 December 2024). Under the fifth deed of variation, interest and fees were capitalised bringing the new principle to \$720,114.21 as of 14th February 2025 and the repayment date was extended to 14th February 2025 (announced to ASX on 31st January 2025). Under the sixth deed of variation, interest and fees were capitalised bringing the new principle to \$732,189.69 as of 14th February 2025 and the repayment date was extended to 28th February 2025 (announced to ASX on 14th February 2025). Under the seventh deed of variation, interest and fees were capitalised bringing the new principle to \$744,467.65 as of 14th March 2025 and the repayment date was extended to 14th March 2025 (announced to ASX on 26th February 2025). Under the eighth deed of variation, interest and fees were capitalised bringing the new principle to \$763,590.47 as of 31st March 2025 and the repayment date was extended to 31st March 2025 (announced to ASX on 14th March 2025). Under the ninth deed of variation, interest and fees were capitalised bringing the new principle to \$851,190 as of 27th March 2025 and the repayment date was extended to 30th June 2025 (announced to ASX on 27th March 2025). Under the tenth deed of variation, interest and fees were capitalised bringing the new principle to \$318,341.67 as of 30th June 2025 and the repayment date was extended to 31st July 2025 (announced to ASX on 1st July 2025). Under the eleventh deed of variation, interest and fees were capitalised bringing the new principle to \$320,498.17 as of 31st July 2025 and the repayment date was extended to 31st August 2025 (announced to ASX on 1st August 2025).

The twelfth deed of variation agrees to an extension of the repayment date to 3rd September 2025, the interest rate remains at 7.95% with an extension fee payable of \$3,000. Up to 31st August 2025 there has

been \$550,000 of repayments made by the borrower bringing the new principal amount of the loan as at 31 August 2025 to \$322,669.27 including fees and interest.

All other terms and conditions of the Loan Agreement remain in full force and effect.

The Board continues to assess the transaction as being arm's length as the terms are better for the Company than the prevailing market rates.

The loan facility was put in place in April 2024 to provide vital working capital for the company to implement its growth opportunities including pursuing and finalising the recently announced Optus contract.

Accordingly, the facility and the resulting working capital was instrumental in the company having sufficient capital to grow its business in the last 12 months. As a result, the company was able to secure the Optus contract and position itself for further growth during the remainder of 2025 including the company's aim to continue to increase revenue and cashflow from operations.

Paul Ostergaard, CEO and Founder of Norwood Systems, commented: "Balmain's backing has been pivotal to our execution this past year, helping the company avoid unnecessary dilution, and enabling us to stay laser-focused on converting our growing pipeline into sustainable, cash-flow-driven growth for FY 2026."

This announcement has been approved for release by the Board.

ENDS

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About Norwood Systems

Norwood Systems (ASX: NOR) is a leading innovator in voice communication services, providing advanced conversational and generative AI technologies to revolutionize global communications. Its solutions enhance user experiences, delivering reliable and cutting-edge voice services to customers worldwide.