24 February 2026

NANOSONICS FY26 HALF YEAR RESULTS

20% trophon Unit Growth and Operating Margin Expansion

- 2,070 total units installed, up 20% on pcp, increasing the cumulative installed base[1] by 1,080 units to 38,080 devices, plus record upgrade sales of 980 units in North America, up 61% on pcp.
- Total revenue of $102.2 million, up 9% on prior corresponding period (pcp) (8% at CC[2]) driven by sustained demand across both recurring and capital revenue streams.
- Recurring revenue of $75.7 million, up 9% on pcp, and capital revenue of $26.5 million, also up 9% on pcp.
- Operating margin expansion to $8.5 million, up 27% on pcp (up 18% at CC).
- EBIT of $8.4 million, down 3% on pcp (up 15% at CC).
- Operating profit before tax of $10.6 million, down 3% on pcp (up 13% at CC).
- trophon only business EBIT of $25.5 million, up 9% on pcp, demonstrating growing profitability.
- trophon3 and trophon2 *Plus* software upgrade package launched midway through the period.
- CORIS® regulatory milestones achieved and controlled market release (CMR) initiated this month.

Nanosonics Limited (ASX: NAN), a leader in infection prevention solutions, today announces its financial results for the six months ended 31 December 2025 and its Appendix 4D.

"Nanosonics has achieved a strong first half performance, reporting a 9% increase in revenue and 27% expansion in operating margin compared to prior corresponding period. Our sustained growth reflects continued demand across capital units and recurring revenue, driven by a growing installed base, upgrade activity, and sound consumables and service performance," commented Michael Kavanagh, Chief Executive Officer and President of Nanosonics.

"The first half marked the successful launch of our next generation trophon technologies including trophon3 and the trophon2 *Plus* software upgrade package. Customer feedback to date has been highly encouraging particularly in relation to the workflow enhancements and digital capabilities.

"Upgrade activity in North America delivered a record result with 980 units sold, representing a 61% increase on pcp. Upgrades in the half were mainly trophon2 devices as trophon3 was launched midway through the period and customer budget approvals for trophon2 upgrades were already well progressed. The first half also included several large-scale upgrade agreements, reinforcing the strong customer preference for the trophon platform. These high-volume agreements supported strong total unit growth, with capital revenue reflecting volume-based pricing. Importantly, these trophon2 upgrades are expected to underpin ongoing recurring revenue growth and software-led value capture over time with trophon2 *Plus* software upgrades.

"We also achieved several important regulatory milestones for our innovative CORIS system during the period, including registrations in Europe, the UK, and Australia as well as our first FDA 510(k) submission for expanded scope indications in the USA. Subsequent to period end, we are pleased to have commenced the first Controlled Market Release for CORIS," concluded Mr Kavanagh.

Financial & operational performance

Nanosonics reports total revenue of $102.2 million, representing 9% growth on H1 FY25 (8% at CC[1]). Revenue growth was supported by recurring revenue of $75.7 million, up 9% on pcp, driven by core consumables (up 9%) and services growth (up 24%). Spare parts revenue was down 23%, reflecting lower requirements as

[1] Cumulative sales of new installed base units.

[2] Constant currency removes the impact of foreign exchange rate movements to facilitate comparability of operational performance. The average exchange rate used for the Company's major foreign currency (USD) for the half year was 0.6560 (H1 FY25: 0.6644). For full details, please see the note at the end of the ASX announcement.

upgrade sales increase. Capital revenue was $26.5 million, also up 9% on pcp, reflecting contributions from both new installed base and upgrade device sales.

North America continued to perform strongly generating revenue of $93.2 million, up 10% on pcp. This was comprised of $67.7 million in recurring revenue and $25.5 million in capital revenue. Capital unit volumes increased 21% with 890 new installed base and 980 upgrades completed during the half. Capital revenue growth reflects a higher weighting toward trophon2 upgrades based on the timing of trophon3 launch midway through the half, the timing of customer budget approvals within the existing upgrade pipeline, and volume-based pricing associated with several large-scale upgrade agreements.

Europe, the UK and the Middle East contributed $6.3 million in revenue, up 7% on pcp. Recurring revenue was $5.7 million, reflecting continued growth in the installed base with 100 new installations completed in the half, up 43% on pcp. Capital revenue of $0.6 million was driven by a higher mix of Managed Equipment Service (MES) arrangements relative to upfront capital purchases. The majority of original trophon EPR were previously upgraded supporting the region's recurring revenue profile.

APAC delivered revenue of $2.6 million, down 13% on pcp, comprising $2.2 million in recurring revenue, and $0.4 million in capital revenue. 90 new installed base units were installed in the first half, representing a 125% increase on pcp. Similar to EMEA, the majority of EPR units have already been upgraded in APAC.

As previously guided, gross profit margin moderated to 76.3%, driven by the combined impact of tariffs, product mix and higher airfreight costs.

Operating leverage & margin expansion

Operating expenses growth reduced to 4% to $69.5 million, highlighting disciplined cost management as the business scales. R&D investment reduced to 15% of revenue, down from 17.6% in H1 FY25, as trophon3 development was completed. The Company continues to invest in its R&D pipeline and innovation roadmap.

Operating margin expanded by 27% on pcp to $8.5 million, supported by continued operating leverage across the business.

EBIT was $8.4 million, down 3% on pcp primarily reflecting net foreign exchange losses of approximately $0.7 million in H1 FY26, compared to a $1.3 million gain in H1 FY25. On a constant currency basis, EBIT increased 15% on pcp, highlighting the strength of underlying operating performance.

Profit before tax was $10.6 million, down 3% on pcp, an increase of 13% on a constant currency basis.

Group financial results H1 FY26

$ millions	H1 FY26	H1 FY25	Change %	Change % at CC
Capital revenue	26.5	24.4	▲ 9%	
Recurring revenue	75.7	69.2	▲ 9%	
Total revenue	**102.2**	**93.6**	▲ **9%**	▲ **8%**
Gross profit	78.0	73.4	▲ 6%	
%	***76.3%***	***78.5%***	▼	
Total operating expenses	**69.5**	**66.7**	▲ **4%**	
Operating margin	8.5	6.7	▲ 27%	▲ 18%
Other gains/(losses)-net	(0.7)	1.3	▼ nm	
Other income	0.6	0.6	-	
Earnings before interest and tax	**8.4**	**8.7**	▼ **-3%**	▲ **15%**
Finance income-net	2.2	2.2	-	
Profit before income tax	**10.6**	**10.9**	▼ **-3%**	▲ **13%**
Profit after income tax	9.6	9.8	▼ -1%	

Cash flow & allocation

The Company commenced an on-market share buy-back of up to $20 million, with approximately $4 million executed following the announcement at the November 2025 AGM. The buy-back is expected to resume following the conclusion of the half year results blackout period.

Net cash flow for the period was an outflow of $1.4 million compared to an inflow of $13.8 million vs pcp, reflecting planned investment in working capital to support both trophon and CORIS inventory requirements, as well as execution of the share buy-back.

The Company continues to maintain a strong balance sheet with no debt. Cash and cash equivalents totalled $159.8 million as at 31 December 2025, providing significant financial flexibility to support long term shareholder value creation through continued innovation, market expansion and product development.

trophon only business financial performance[3]

The trophon only business (excluding CORIS investments) continued to deliver strong profitability and operating leverage, reflecting the sustained demand for both capital and recurring revenue streams. Operating margin increased to $25.6 million, up 20% on pcp, with operating margin as a percentage of sales expanding to 25.0%, compared with 22.9% in pcp, demonstrating the scalability and earnings strength of the core trophon franchise.

$ millions	H1 FY26	H1 FY25	Change %	
Total revenue	102.2	93.6	▲	9%
Gross profit	78.0	73.4	▲	6%
%	76.3%	78.5%		
Operating expenses	52.4	52.0	▲	1%
Operating margin	25.6	21.4	▲	20%
%	25.0%	22.9%	▲	
Earnings before interest and tax	25.5	23.4	▲	9%
Profit before income tax	27.7	25.6	▲	8%

CORIS regulatory milestones and phased commercialisation[4]

The phased commercialisation strategy of Nanosonics' innovative CORIS endoscope cleaning system continues to progress well and is tracking in line with the key regulatory milestones outlined at the end of FY25. During the half, CORIS achieved inclusion in the Australian Register of Therapeutic Goods (ARTG), received CE mark for the European Union and obtained UKCA certification in the United Kingdom (UK). The Company also submitted its first FDA 510(k) application for expanded scope indications which is currently under review by the FDA. Subsequent to the end of the half, Nanosonics commenced the first Controlled Market Release in the UK, with Australia soon to follow. The CMR phase allows us to work closely with selected hospital partners across different workflows and settings, ensuring we capture real-world insights before broader commercialisation in FY27.

FY26 outlook & guidance at constant currency[1,5]

Nanosonics expects continued growth in capital unit volumes across both new installed base and upgrades in the second half of FY26. Core consumables and service are also expected to continue to grow, while spare parts are expected to remain lower as older units are upgraded.

The Company expects full year revenue to remain within guidance. Capital average selling prices (ASP) are expected to be broadly consistent with H1 FY26, assuming a similar mix of trophon3 and trophon2 units and a similar number of large-volume upgrade agreements. Importantly, any near-term impact from capital pricing or

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[3] The pro forma profit before tax for the trophon business is unaudited and has been prepared by management to reflect total Company results less operating costs associated with new product development and commercialisation for CORIS. Operating costs reflect management allocation estimates where resources are shared between trophon and CORIS development and commercialisation. The pro forma profit and loss statement also includes income received from the Jobs Plus Program.

[4] All new product development programs involve inherent risks and uncertainties which can impact commercialisation timelines.

[5] Guidance is subject to uncertainty in relation to potential impacts associated with macroeconomic and political uncertainty, as well as potential impacts from increased competitive activity in the USA.

product mix is expected to be more than offset over time through associated recurring revenue and incremental software-led value capture, including opportunities from trophon2 Plus upgrade offering.

Gross margin guidance continues at 75-77%. The guidance assumes tariff rates to remain at H1 levels.

The Company expects continued operating expense discipline in the second half, with planned investments to support the phased commercialisation of CORIS, as well as higher depreciation associated with CORIS manufacturing and accrued rental costs for the new headquarters.

FY26 guidance at constant currency[1]:

	Range	Growth vs FY25
Revenue	$215m to $223m	8% to 12%
Gross Margin	75-77%	-
Operating expenses	$147m to $151m	6% to 9%

Guidance is based on FX rates provided in Aug 2025 of AUD/USD 0.65. Nanosonics generates the majority of its revenue in USD and notes the strengthening Australian dollar. The Company has an ongoing currency hedging program in place. If the Revenue range in the above table were recast using an average exchange rate for USD/AUD of 0.70 for H2 FY26, rather than constant currency, and the hedging program is taken into account, the Revenue range would be approximately 3% lower.

Note on Constant Currency
Constant currency removes the impact of exchange rate movements to facilitate comparability of operational performance. This is done by (1) converting the current year sales, costs and operating expenses of entities that use currencies other than Australian dollars at the average rates that were applicable in the prior year (2) restating foreign currency denominated transactions of the parent entity that is impacted by exchange rate movements at the average rates that were applicable in the prior year and (3) by adjusting for foreign currency gains and losses. The average exchange rate used for the Company's major foreign currency (USD) for the half year was 0.6560 (H1 FY25: 0.6644).

Investor conference call and webinar:
Investors are invited to join a conference call and webcast today, Tuesday 24 February at 11:00am (AEST) hosted by Nanosonics CEO & President, Michael Kavanagh, and Jason Burriss, CFO.

If you would like to join the **audio webcast**, please pre-register at https://ccmediaframe.com/?id=44IKAkLe. Please note, you will not be able to ask questions via the webcast.

Alternatively, if you would like to ask questions, please join the **conference call** by registering at: https://s1.c-conf.com/diamondpass/10051887-gwjn9z.html. You will receive the dial-in number, passcode and PIN.

A recording of the call will be available in the Investor Centre of Nanosonics' website after the event.

For more information, please contact:
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Authorised by the Board of Directors of Nanosonics Limited.