



ASX Release
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Compumedics strengthens earnings quality with record revenue and expanding recurring revenue platforms

SaaS growth and MEG momentum underpin FY26 execution

BUSINESS HIGHLIGHTS

- Record sales orders taken of \$34.9 million for H1 FY26, up 6% on H1 FY25 (\$32.8 million), reflecting strengthening demand and improved conversion across Compumedics' core sleep and neuro platforms
- Record reported revenue (shipped and invoiced) of \$31.0 million, up 32% on H1 FY25 (\$23.5 million), converting order momentum into shipped and invoiced revenue, with MEG contributing \$6.5 million to ongoing invoicing
- SaaS revenue of \$4.6 million, up 56% year on year, with combined SaaS and annuity sales orders up 64%, increasing the proportion of recurring and connected platform orders and supporting a stronger, more resilient revenue mix
- EBITDA of \$3.1 million, up from \$0.7 million in H1 FY25, driven by MEG milestone revenue recognition, improved conversion of orders into shipped revenue, and disciplined cost management while maintaining investment in priority growth initiatives.
- Net profit after tax of \$0.3 million, compared with a \$1.1 million loss in H1 FY25
- Operating cash flow of \$1.8 million inflow, compared with a \$2.1 million outflow in H1 FY25, reflecting improving working capital discipline and delivery timing
- FY26 guidance reaffirmed: Revenue of approximately \$70 million and EBITDA of up to \$9 million

PERFORMANCE OVERVIEW: H1 FY26

Compumedics delivered a materially stronger H1 outcome year-on-year, driven by record sales orders and improved conversion of orders into shipped revenue and earnings. Revenue is increasingly underpinned by a growing mix of SaaS and annuity streams alongside capital equipment and MEG deliveries.

1. Sales orders taken

- Record sales orders of \$34.9 million, up 6% on H1 FY25
- The record order intake reflects strengthening demand and improved sales conversion across core sleep and neuro platforms, following the targeted USA commercial refocus
- MEG: one MEG order (value \$4.9 million) was secured in H1 FY26, with additional MEG opportunities expected to progress in H2 FY26

2. Revenue reported (shipped and invoiced)

- Reported revenue (shipped and invoiced) was \$31.0 million, up 32% on the prior corresponding period.
 - The result reflects improved execution and delivery cadence, converting strong order momentum into shipped and invoiced revenue, with MEG contributing to ongoing invoicing (\$6.5 million in H1 FY26)
 - Reported revenue will continue to reflect delivery and installation timing, particularly for capital equipment and MEG systems, and may therefore vary between reporting periods

3. Cost base and profitability

- The result after tax was a profit of \$0.3 million, compared with a loss of \$1.1 million in H1 FY25.
- The improvement in profitability was primarily attributable to:
 - Record reported revenue and stronger conversion of sales orders into shipped and invoiced revenue across a diversified product portfolio and geographic footprint
 - SaaS revenue growth, supporting margins through a higher proportion of recurring revenue
 - MEG milestone execution, with progressive milestone-based revenue recognition from current MEG system deliveries as the Company scales this business, and further MEG opportunities expected to progress in H2 FY26
 - Ongoing cost discipline alongside continued investment in priority growth initiatives, including progress on a \$2 million per annum cost reduction program to lift operating leverage and support margin expansion, with benefits expected to build through 2026

EBITDA for the half was \$3.1 million, materially higher than H1 FY25 EBITDA of \$0.7 million and consistent with earlier guidance.

INVESTOR OVERVIEW

Sleep and neurology business (including Somfit and Nexus 360 SaaS)

Compumedics' Sleep and Neurology business increased 5% year on year to \$22.7 million in H1, reflecting strong momentum across Asia and Europe and stable performance in Australia and New Zealand, partially offset by a softer result in the United States.

Across the portfolio, the Company continues to increase the proportion of recurring and connected platform revenues:

- SaaS revenue increased to \$4.6 million, up 56% year on year
- Combined SaaS and annuity sales orders increased 64%, lifting recurring and connected platform mix

This shift is supported by continued scaling of Somfit and Nexus 360, expanding the Company's ability to generate more predictable revenues alongside capital equipment cycles.

Group Sleep Diagnostics capital equipment revenue declined 15% in H1, primarily driven by weaker US conversion. Performance in other regions was comparatively stable to improved, underscoring the importance of geographic diversification in delivering positive group outcomes.

United States

The US sales were below prior year levels, particularly in Sleep Diagnostics capital equipment. The shortfall reflects earlier disruption following the March 2025 cyber incident, tender timing impacts and softer conversion in H1. Management has implemented a targeted commercial reset to sharpen execution discipline, align the cost base to current demand and reinforce accountability across capital equipment, Nexus 360 and Home Sleep Testing streams.

Importantly, Somfit and Nexus 360 both delivered growth versus prior year, albeit not at the rate expected alongside the costs dedicated to those revenue streams at the time, demonstrating ongoing demand for connected and platform-based solutions. Installation workflows and customer engagement processes have been strengthened, and pipeline activity remains active across sleep and neuro platforms. The planned H2 FY26 launch of Somfit D represents a defined catalyst to accelerate penetration in the large US home sleep testing market and support improved second half momentum.

North Asia and South Asia

Asia continued to perform very strongly overall, led by North Asia sleep and neuroscan demand. While market conditions in China remain mixed, underlying scale and distributor support continue to underpin performance. South Asia delivered improved results from a smaller base, reflecting strengthening regional engagement. The region remains strategically important given its installed base depth and future connected platform opportunity.

Australia and New Zealand

Australia and New Zealand delivered broadly stable performance. Somfit and Nexus 360 recorded strong year-on-year growth, supported by national accounts, research programs and solid subscription uptake. Capital equipment performance reflected normal product cycle timing, with the installed base continuing to provide recurring service and supplies contribution. The region remains an important reference market for new product deployment and connected platform scaling.

Europe

Europe delivered a materially stronger outcome year-on-year, with improved traction across core sleep and neuro markets, supported by Falcon HST uptake and distributor expansion. EEG outperformed, with recent and pending tenders reinforcing the installed base. While Nexus 360 adoption remains at an earlier stage in parts of Europe, the expanding sleep footprint provides a platform for longer-term SaaS penetration.

Orion LifeSpan MEG business

MEG remains a high-value growth platform and a material contributor to FY26 execution:

- \$6.5 million of MEG revenue was recognised in H1 FY26, reflecting successful milestone achievement across three existing systems currently being shipped and ready for installation
- Order momentum continued, with one new MEG sales order secured in H1 FY26 and a further order secured in H2 FY26
- Execution remains on track, with the three existing MEG orders progressing toward H2 FY26 installation, while the two newer orders are scheduled to ship progressively into FY27

DWL business

The DWL business remains a focus area as the Company continues to stabilise and improve performance, supporting the Group's broader geographic and product diversification.

Segment (Sales Orders Taken AU\$M)	H1 FY24	H1 FY25	H1 FY26	H1 FY25 YoY	H1 FY26 YoY
Sleep Diagnostics – Capital Equipment	4.8	16.6	11.2	248%	-33%
Sleep – SaaS (Somfit + Nexus 360)	2.0	2.8	4.5	40%	64%
Neurology – Capital Equipment	6.6	7.6	7.9	15%	4%
Service & Supplies – Recurring	4.5	3.9	4.2	-14%	9%
Sleep & Neurology Business	17.8	30.8	27.8	73%	-10%
MEG – Capital Equipment	9.1	-	4.9	-100%	N/A
DWL – Blood Flow Diagnostics Capital Equipment	2.3	2.0	2.1	-13%	4%
Total Business	29.2	32.8	34.9	12%	6%

Segment (Reported Revenue AU\$M)	H1 FY24	H1 FY25	H1 FY26	H1 FY25 YoY	H1 FY26 YoY
Sleep Diagnostics – Capital Equipment	6.1	8.7	7.4	44%	-15%
Sleep – SaaS (Somfit + Nexus 360)	2.0	2.9	4.6	49%	56%
Neurology – Capital Equipment	7.1	6.2	6.8	-14%	10%
Service & Supplies – Recurring	4.2	3.8	4.0	-9%	4%
Sleep & Neurology Business	19.4	21.6	22.7	12%	5%
MEG – Capital Equipment	4.7	-	6.5	-100%	N/A
DWL – Blood Flow Diagnostics Capital Equipment	2.4	1.9	1.8	-22%	-2%
Total Business	26.4	23.5	31.0	-11%	32%

CORPORATE

Key growth opportunities

The Company remains focused on initiatives to underpin current and future growth, including:

- **SaaS and connected platforms:** continued scaling of recurring Somfit and Nexus 360 revenues, increasing revenue quality and resilience
- **MEG scale-up:** additional MEG sales opportunities progressing and expected to advance through H2 FY26, supporting the second half profile
- **Somfit D:** launch targeted for H2 FY26. While the rollout has taken longer than originally expected to ensure manufacturing readiness and a high-quality customer deployment, Somfit D remains a key FY26 catalyst to accelerate penetration in the large US home sleep testing market and expand contribution from connected, higher margin platforms over time.
- **USA execution reset:** targeted USA commercial restructure implemented to improve sales execution efficiency, increase focus on high-probability opportunities and accelerate customer onboarding and conversion, including in preparation for Somfit D
- **Cost-out program:** progressing the Company's \$2 million per annum cost-out program to improve operating leverage and expand operating margins, while maintaining investment in priority growth initiatives, with benefits expected to build through H2 FY26

Funding and financial flexibility

The Company is well advanced in expanding banking facilities to support growth and working capital as scale increases, strengthening financial flexibility and enabling Compumedics to pursue larger opportunities with confidence.

FINANCIAL OUTLOOK

Compumedics reaffirms FY26 guidance:

- Revenue: \$70 million
- EBITDA: up to \$9 million

The Company expects a stronger H2 profile, underpinned by improving shipment conversion, the progressive impact of the cost-out program, and high-value product and pipeline catalysts, including MEG and Somfit D.

About Compumedics Limited

Compumedics Limited [ASX: CMP] is a leading global medical device company that develops, manufactures, and commercialises diagnostic technology for sleep, brain, and ultrasonic blood flow monitoring applications. The Company owns Neuroscan, based in the USA, and DWL Elektronische Systeme GmbH, based in Germany. In conjunction with these two subsidiaries, Compumedics has a broad international reach, including the Americas, Australia and Asia Pacific, Europe, and the Middle East.

Executive Chairman Dr. David Burton founded Compumedics in 1987. The same year, the Company successfully designed and installed the first fully computerised Australian sleep clinic at Epworth Hospital in Melbourne. Following this early success, Compumedics focused on developing products for the growing international sleep clinic and home monitoring markets.

Compumedics listed on the Australian Securities Exchange in 2000. Over the years, Compumedics has received numerous awards, including Australia's Exporter of the Year, and has been recognised as a Top 100 Innovator by both German and Australian Governments.

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