FY26 Full-Year Results

Audinate Delivers 15% US Dollar Revenue Growth and Expands Dante Platform Across Audio, Video and Control

Audinate Group Limited (ASX:AD8) today announced its full-year results for FY26, delivering revenue growth, continued expansion of the Dante platform and a realignment of the Group's operating cost base.

Audinate reported FY26 full-year revenue of US$46.0 million, up 14.9% on FY25. Gross profit increased to US$37.7 million, up 14.7%, with gross margin of 82.0%, broadly in line with FY25.

Ecosystem and commercial momentum

The Dante ecosystem continued to expand, reaching over 8 million devices shipped, 5,158 products, with an additional 555 products launched during the year and 542 OEM partners globally. Each new device deployed deepens the ecosystem's value, creating self-reinforcing network effects that make Dante the default standard in professional AV. Audinate also secured 137 design wins during the year, further expanding the pipeline of products expected to generate revenue in future periods.

Platform expansion and launch of Iris

Audinate continued to invest in initiatives designed to broaden the Dante ecosystem and grow its share of the addressable market across audio, video and control. Key initiatives during the year included expanding the AVIO range into installation markets, enhancing control capabilities through Dante Director, and integrating Iris following its acquisition. In December 2025, Audinate launched Iris, a SaaS-based subscription offering that enables intelligent camera control and cloud-enabled video production workflows.

Together, these initiatives strengthen Audinate's position across professional audio, video and control while creating new products, customer applications and revenue opportunities.

Cost realignment and operating leverage

During FY26, Audinate restructured its workforce and operations to sharpen focus on the highest-return opportunities across the Dante platform. The restructure reduced overhead in areas where major build programs are now complete, while preserving investment in the R&D capabilities that support future growth. The full benefits of these changes will flow from FY27, driving meaningful expansion in operating profit as revenue scales.

FY27 Outlook

Audinate enters FY27 with sustained revenue and gross profit growth momentum, strong gross margins and a pathway to positive free cash flow. In FY27, US dollar gross profit growth is expected to be in line with or slightly ahead of the rate achieved in FY26, with gross margins maintained and operating costs held flat, supporting a meaningful improvement in operating profit. With the Dante platform now spanning audio, video and control, Audinate is well positioned to capture a broader share of the professional AV market.

Audinate Co-founder and CEO Aidan Williams commented:

"This year marks twenty years since Audinate was founded with a vision to pioneer the future of AV. FY26 is a year that reflects how far we have come and the scale of the opportunity ahead. The Dante ecosystem now spans over 8 million devices shipped, 5,100+ products and 542 OEM partners. The platform has never been broader, extending across audio, video and control in ways we could only imagine when Audinate began. FY26 saw Audinate deliver revenue growth, continue to advance major platform investments, and reshape its cost base for the next phase of growth. Twenty years in, the foundation is strong, the direction is clear, and the opportunity in front of us is the largest it has ever been."

FY26 Full-Year Results – Highlights

Delivers revenue growth while maintaining gross margins

- Revenue of US$46.0 million (FY25: US$40.0 million, up 14.9%), gross profit of US$37.7 million (FY25: US$32.9 million, up 14.7%) - at the upper end of market guidance.
- Gross margin of 82.0%, compared to 82.1% in FY25.
- Underlying EBITDA was a loss of A$3.6 million (FY25: profit of A$0.7 million), reflecting increased investment in Iris, Dante Director and broader platform development ahead of their expected revenue contribution. The cost base restructuring completed in FY26 is expected to support a meaningful improvement in operating profitability from FY27.
- Cash and term deposits at year end of A$65.1 million, providing substantial liquidity to fund Audinate's growth initiatives and strategic priorities.

Sustained market leadership and ecosystem expansion

- Continued to lead the global AV-over-IP transition, reinforcing Dante as the industry standard - 14x adoption of nearest competitor
- Secured 137 design wins (FY25: 129), sustaining the pipeline of future Dante-enabled products from OEM partners globally.
- 542 OEM partners have Dante products in market, with a further 229 developing new Dante-enabled products, broadening the Dante ecosystem across audio, video and control.
- The third edition of Dante Certification training was launched in October 2025. More than 375,000 AV professionals have now been trained and certified, supported by 42 certified training partners across 24 countries.

Launch of Iris camera control product

- Launched Iris in December 2025 and the platform now covers 20 camera manufacturers. The SaaS-based subscription model extends Dante's reach across video and AV control.

Financial Performance

$US Revenue and Gross Profit

US$million	Revenue			Gross Profit			Gross Margin %		
	FY25	FY26	Change	FY25	FY26	Change	FY25	FY26	Change
Audinate	40.0	46.0	14.9%	32.9	37.7	14.7%	82.1%	82.0%	-0.1pp

Revenue Contribution by Product

Revenue Product Category (US$ million)	FY25	FY26	Variance
Embedded Components (CCM / Software)	28.2	31.7	12.2%
Adaptors	6.3	8.6	36.1%
Platform Software	4.7	5.4	13.7%
Other	0.8	0.4	-
Total Revenue	**40.0**	**46.0**	**14.9%**

Embedded Components, which includes both Chips, Cards and Modules (CCM) and embedded software, remains a large and strategically important part of Audinate's revenue base. Growth was supported by continued adoption of embedded software products, including DEP and Dante IP Core, as OEM partners transition from hardware-based implementations to software-enabled solutions. CCM also delivered a strong second half, reinforcing its ongoing relevance within the Dante ecosystem and its importance to OEM product development cycles.

Adaptor revenue growth was supported by Audinate's continued expansion of the adaptor portfolio into installation-focused use cases, including corporate meeting rooms, boardrooms and education environments. This included the launch of the 'AVIOs for Installation' range, which features an installer-friendly mounting system and an upgraded Pro S1 chip with audio encryption.

Platform Software performance was supported by increased adoption of DVS Pro, an initial US$0.2 million revenue contribution from Iris reflecting its early-stage commercial ramp following launch, and early customer uptake of Dante Director, Audinate's cloud-based AV management platform.

Platform Software maintained a consistent attach rate to Dante-enabled products, highlighting the strength of Audinate's software proposition and the opportunity to deepen software monetisation across the growing Dante ecosystem.

Income Statement (Australian dollars)

Income statement A$ million	FY25	FY26
Revenue	62.1	67.8
Gross Profit	**51.1**	**55.5**
Gross Margin %	82.3%	81.9%
Operating Costs *	**(50.5)**	**(59.1)**
Underlying EBITDA	**0.7**	**(3.6)**
Restructure Costs	0.0	(1.8)
Iris – Acquisition-related payments	(0.6)	(3.5)
Reported EBITDA	**0.03**	**(8.9)**

* Operating costs include foreign exchange gains and losses; exclude depreciation and amortisation, one-off restructuring and acquisition-related expenses that are not reflective of underlying performance.

Revenue Growth

Revenue grew 9% to $67.8 million in FY26. The growth rate in Australian dollar terms was lower than in US dollar terms, reflecting AUD/USD movements over the year. While revenue is 100% US dollar-denominated, the Group had US dollar-denominated expenses covering approximately half of this revenue and providing a partial natural hedge against exchange rate movements.

Operating Costs - Continued Investment in Growth Initiatives

Operating costs increased by 17% to $59.1 million for the year, compared to $50.5 million for the prior year, reflecting ongoing investment in core capabilities and product innovation including Iris, Dante Director and the wider Dante platform.

Underlying employment expenses were $44.3 million (excluding the employment expense component of the Iris acquisition-related costs of $3.2 million and restructuring costs of $1.8 million), compared with $36.1 million in the prior year, representing a 23% increase. The increase in underlying employment expenses primarily reflects the acquisition of Iris ($2.0 million); stronger performance against short-term incentive targets, driving higher variable incentive costs ($3.9 million); and increases in headcount during the second half of FY25.

During the year, the Group completed an operating restructure to better align its workforce with its strategic priorities, resulting in a net reduction of 10% of roles across the broader Group, despite the addition of headcount from Iris.

Sales and marketing expenses were $5.7 million, a 15% reduction over the prior year, reflecting the normalisation of expenditure following the launch of Dante Director, tighter prioritisation of marketing programs and improved efficiency in campaign delivery. Audinate maintained its presence at key global trade shows and continued to invest in activities supporting customer engagement and long-term growth.

Administration and other expenses rose to $8.8 million, a 9% increase over the prior year. This cost category is driven by travel, software subscriptions, and professional fees required to operate a geographically diverse, listed business.

Restructuring costs recognised in the income statement relate to organisational changes made to realign Audinate's cost base toward its highest-return growth opportunities across the Dante platform. The associated financial benefits are expected to be fully realised in FY27.

The Iris acquisition-related payments comprise Audinate shares issued at completion of the transaction. As the entitlement to the shares is conditional on continued employment, it is accounted for as remuneration for future services rather than as consideration for the acquired business.

Implications of AI for Audinate and the AV Industry

Recent commentary has focused on the potential for AI to disrupt SaaS, particularly those reliant on seat-based subscription business models. In Audinate's case, the risk profile is fundamentally different.

The majority of the Group's revenue is linked to hardware devices (e.g. amplifiers, microphones, cameras) that are installed into physical spaces, which is an infrastructure business model. The value of Dante comes from enabling interoperability, which in turn creates a powerful economic network effect, which increases with further adoption. Today there are 8M+ Dante devices deployed in the field globally from over 540 OEM partners. Moreover, since Dante moves audio and video signals onto IP networks, Dante APIs and platform services create a natural foundation for AI and workflow automation. Iris is a good example of this, where video networking and deep camera control enable AI-driven workflow automation in a manner not seen before.

Activity in the AV industry is often project-based with three broad phases: 1) design; 2) install; 3) operate; and AI technologies can be applied to all three phases:

- *Design:* AI streamlines capture & conversion of requirements into technical system designs.
- *Install*: combines system programming, which is amenable to AI-enabled automation, with the physical installation of equipment.
- *Operate*: is largely about system workflow automation & agility, again potentially benefiting from AI.

Meanwhile, a technology transition is underway in the AV industry – from traditional bespoke AV hardware connected via looms of audio/video cables (with limited or no APIs), to IT-compute and

AV software connected by networks (e.g. Dante) and controlled by APIs. The further the industry travels through this transition, the easier it becomes to use AI technologies in AV systems. From this perspective, Audinate, Dante & Iris provide key networking and control technology that will enable broader adoption of AI in the AV industry.

FY27 Outlook

In FY27, US dollar gross profit growth is expected to be in line with or slightly ahead of the rate achieved in FY26, with gross margins maintained at approximately 82%. Australian dollar operating costs are expected to remain flat against FY26 (excluding one-off restructuring and Iris acquisition-related payments), reflecting the cost base changes delivered during the year. Together, the gross profit outlook and a leaner cost base are expected to deliver improvement in operating profit and cash flows in FY27. Audinate maintains a robust balance sheet, with sufficient liquidity to fund growth initiatives and strategic priorities.

Investor Briefing

The Company will host a webinar via Zoom to discuss its FY26 results at 9.30am (AEST) on 17 August 2026. The webinar is expected to last approximately 45 minutes, including question time.

Register here in advance for this webinar

Authorisation: This announcement was authorised by the Board of Audinate Group Limited.

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About Audinate Group Limited

Audinate Group Ltd (ASX:AD8) was founded with a vision to pioneer the future of AV. Audinate's award-winning Dante IP networking solution is the worldwide leader and used extensively in the professional live sound, commercial installation, broadcast, public address, and recording industries. Dante replaces traditional analogue cables by transmitting perfectly synchronised AV signals across large distances to multiple locations at once, using nothing more than an Ethernet cable. Audinate is headquartered in Australia and has regional offices in the United States, United Kingdom, Belgium, and Hong Kong. Dante technology powers products available from hundreds of leading audio and video partners around the world. The Company's ordinary shares are traded on the Australian Securities Exchange (ASX) under the ticker code AD8.

Forward-Looking Statements

This ASX release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Audinate. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.