visionflex group

ASX Announcement 30 October 2026
Visionflex Group Limited (ASX:VFX)

Q1 FY27 Quarterly Activity Report

Highlights:

- **Unaudited revenue of $0.9m for Q1 FY27, up 3% on the prior corresponding period (pcp)**
- **Customer cash receipts of $0.9m for Q1 FY27, down 11% on the pcp**
- **Operating and administration payments of $1.8m, an improvement of 12% on the pcp**
- **Net operating cash outflow of $0.9m for Q1 FY27, an improvement of approximately $0.1m on the pcp**
- **Annual Recurring Revenue (ARR) of approximately $1.47m at 30 September 2026, down 25% on the pcp**
- **Contract wins across Q1 FY27 included Fire and Safety Australia, ePlus Technology (United States), Aspen Medical (Origin Energy) and Danila Dilba Health Service**

Visionflex Group Limited ("VFX" or the "Company"), a clinical diagnostic virtual care technology company, provides its Appendix 4C and quarterly market update for the period ended 30 September 2026.

Visionflex Managing Director and Chief Executive Officer, Joshua Mundey, commented: "New business in the quarter came almost entirely from outside aged care, including Aboriginal community controlled health organisations, workplace emergency response, resources and our United States channel. We also kept costs down, with operating and administration payments 12% lower than in the same quarter last year."

"The transition of aged care facilities previously funded under Primary Health Network (PHN) programs to customer funded subscriptions, outlined in our June quarter report, continued through the quarter and will continue into the December quarter. ARR at 30 September 2026 was approximately $1.47 million. The reduction mainly reflects aged care facilities, both PHN funded and privately funded, that have not continued with a paid subscription, together with the end of a legacy support contract with Western NSW Local Health District. Retention has varied with each facility's level of platform utilisation, and we remain focused on offsetting the impact through new subscription contracts."

"Our priority is to turn that new business into recurring subscriptions across Aboriginal community controlled health, remote health and resources, settings that share the same problem of distance."

Financial Performance: Q1 FY27

	Q1 FY27	
	$	v pcp
Customer cash receipts	**$0.9m**	(▼11%)
Operating and admin payments	**$1.8m**	(▼12%)
Operating cash flow	**$0.9m outflow**	▲$0.1m improvement
Unaudited revenue	**$0.9m**	▲3%

Revenue

Approximately 40% of Q1 FY27 revenue was recurring in nature (Q1 FY26: 49%).

Delivery of the network expansion for the Royal Flying Doctor Service Central Operations (RFDS SA/NT), which serves South Australia and the Northern Territory, was previously expected in Q1 FY27 and is now expected in November 2026. Revenue of $0.2 million from FY26 RFDS SA/NT contracts is expected to be recognised on delivery of that project. Contract liabilities, being amounts invoiced but not yet recognised as revenue, was $1.1 million at 30 September 2026.

Annual Recurring Revenue

ARR as at 30 September 2026 was approximately $1.47 million, down 25% on 30 June 2026 and down 25% on the prior corresponding period.

ARR is the annualised value of subscription and support fees under customer contracts, including contracted subscriptions not yet deployed and confirmed renewals not yet paid. From this report, ARR excludes subscriptions that have expired without a confirmed renewal (a signed quotation, purchase order or invoice request). Previously, these subscriptions remained in ARR while renewal discussions continued. ARR is not a measure under Australian Accounting Standards and has not been audited or reviewed by the Company's auditor.

The ARR movement for the quarter is outlined in the following table:

	$
ARR at 30 June 2026	**$1.95m**
ARR included in new business contracts secured in Q1 FY27	$0.04m
PHN funded aged care facilities not continuing to a paid subscription (80 facilities) (i)	($0.26m)
Privately funded aged care facilities not renewing (ii)	($0.17m)
Western NSW Local Health District legacy support contract (iii)	($0.09m)
ARR at 30 September 2026	**$1.47m**

(i) **PHN funded transition:** As outlined in the June quarter report, part of the Company's aged care subscription base was originally deployed under PHN funded programs. As the initial funding periods concluded, these facilities moved to customer funded subscriptions. Retention outcomes varied according to each facility's level of platform utilisation. At the end of Q1 FY27, 80 facilities had expired without a confirmed renewal and are not currently on a paid subscription, reducing ARR by $0.26 million. The transition continues into the December quarter.

(ii) **Privately funded aged care facilities:** At the end of Q1 FY27, privately funded aged care facilities and groups with subscriptions that had expired without a confirmed renewal, reduced ARR by $0.17 million.

(iii) **Western NSW Local Health District:** Western NSW LHD did not renew a support contract for legacy Visionflex mobile devices deployed more than five years ago, reducing ARR by $0.09 million. The Company remains in discussions with Western NSW LHD about upgraded equipment and subscriptions, including the unattended access capability being rolled out with RFDS SA/NT.

On a like for like basis, applying the revised ARR definition to prior periods, ARR at 30 September 2026 was materially consistent with the 30 June 2026 balance ($1.46 million) and decreased by 23% on the prior corresponding period balance (restated: $1.91 million).

New business

New business in the quarter came from workplace emergency response (Fire and Safety Australia), resources (Aspen Medical, for an Origin Energy facility), the United States channel (ePlus Technology) and Aboriginal community controlled health (Danila Dilba Health Service). Aged care accounted for 1% of the $0.30 million of new business contracts in the quarter. These contracts were predominantly hardware and added little to ARR in the quarter, and converting these customers to recurring subscriptions is a focus for the Company moving forward.

Cash and funding

As at 30 September 2026, the Company held $0.66 million of cash in bank accounts. The Company also had up to a further $1.15 million in undrawn funding facilities.

The undrawn funding facilities include:

- $0.95 million under the existing convertible note facility with cornerstone investor Adcock Private Equity, an entity associated with the Chair, Mr Adcock, available for drawing until 31 August 2027;
- up to a further $0.2 million under the research and development (R&D) funding facility with Finance Innovations Management Pty Ltd (trading as Advanced R&D), with drawdowns made quarterly in arrears against eligible R&D expenditure already incurred and subject to the lender's approval.

On 1 October 2026, the Company's FY26 R&D activities were registered with AusIndustry, supporting an R&D Tax Incentive refund of $0.58 million. The FY26 income tax return was lodged on 2 October 2026. The refund is expected to be received in Q2 FY27, when the $0.4 million drawn under the R&D funding facility and accrued interest will be repaid.

During the quarter, the Company repaid $0.1 million of borrowings under the Adcock Private Equity facility to minimise ongoing interest costs. Refer to the Appendix 4C for further details.

Related party payments

Payments to related parties and their associates of $0.22 million (item 6.1 of the Appendix 4C) comprise salary and superannuation paid to Mr Mundey (Managing Director and Chief Executive Officer) and Mr Kafrouni (Executive Director and Chief Operating Officer) under their executive service agreements, and non-executive director fees paid to Mr Adcock.

Operational Highlights

Customers and contracts

- **Fire and Safety Australia:** a new customer in workplace emergency response, which ordered two Visionflex carts ($84k). Delivery and training were completed in October 2026.
- **ePlus Technology (United States):** order for 18 Visionflex GEIS® General Examination Cameras ($60k), its fifth order since June 2025.
- **Aspen Medical:** sale and deployment of a further Visionflex cart for an Origin Energy facility in Queensland ($34k). This adds to the Origin Energy rollout that Aspen Medical began with Visionflex in May 2026.
- **Kimberley Aboriginal Medical Service:** renewed 10 Visionflex subscriptions across its remote clinics ($48k).
- **Danila Dilba Health Service:** a new customer, which purchased a Visionflex mobile solution ($24k).
- **Respect Group:** renewal of eight aged care subscriptions ($32k), taking Respect Group to 16 paid subscriptions.

RFDS SA/NT and unattended access

- **Pastoral stations trial:** in August 2026, the Company and RFDS SA/NT executed a variation agreement allowing RFDS SA/NT to sub-license the Visionflex platform to Northern Territory pastoral stations for a supervised virtual emergency care trial with NT Health and the NT Cattlemen's Association. The trial uses the Company's unattended access capability, and stations may convert to direct subscriptions after it ends.

- **Network expansion:** the Company continued to prepare with RFDS SA/NT for the network expansion to a further eight locations. It also progressed the rollout of the unattended access capability, for which RFDS SA/NT is the first customer.

Product and platform

- **Product roadmap:** commenced Phase 1 of the Company's product roadmap, including multi-participant consultations, single sign-on and further examination hub improvements.

Since the end of the quarter

- **Puntukurnu Aboriginal Medical Service (Western Australia):** an order for three Visionflex cart solutions and four ultrasounds ($143k). Puntukurnu has been a Visionflex customer since 2021.

- **Murray PHN:** an order for two Visionflex carts for Robinvale District Health Service ($44k).

- **Woodside Energy:** a subscription renewal for the nine currently deployed locations ($87k).

Outlook

The Company's priorities for the remainder of FY27 are focused on growing recurring revenue and improving operating cash flow:

- **Convert quoted enterprise opportunities:** the Company is progressing a number of enterprise opportunities that are at quotation stage. These remain subject to customer procurement and contracting processes, and the Company will keep the market informed of material developments in accordance with its continuous disclosure obligations.

- **Complete the RFDS SA/NT network expansion:** delivery to a further eight locations is currently expected in November 2026.

- **Turn hardware customers into recurring subscriptions:** the Company's objective is to retain actively used facilities and to convert customers that buy hardware to recurring subscriptions. Retention depends on how much each facility uses the platform once it is deployed.

- **Targeted prospecting:** broaden the sales pipeline in the Aboriginal community controlled health, remote health and resources sectors.

- **Grant funded procurement:** support Aboriginal community controlled health services to fund Visionflex solutions through grant programs, as Puntukurnu Aboriginal Medical Service did after quarter end. Timing depends on grant decisions made by the funders.

- **Product roadmap:** progress Phase 1 of the product roadmap, including multi-participant consultations, single sign-on and further examination hub improvements.

- **Cost discipline:** maintain the cost discipline established in FY26.

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This announcement was approved for release by the Board of Directors.

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About Visionflex Group
At Visionflex, we believe that healthcare should be accessible, efficient, and connected. Our integrated hardware and software platform allows healthcare providers to deliver comprehensive, collaborative care in real time, no matter the location. From metropolitan health networks to community-based care, Visionflex is reshaping how healthcare is delivered by connecting healthcare teams with the tools and technology needed to provide effective, efficient, and high-quality care. For more information, visit vfx-group.com.