ASX ANNOUNCEMENT
24 November 2026

AROA BIOSURGERY H1 FY27 RESULTS

Financial highlights

H1 FY27 Results[1]

- **Total revenue of NZ$55.7 million** (24% growth on H1 FY26).
- **NZ$30.9 million in Myriad™ product revenue** (57% growth on H1 FY26).
- **NZ$17.8 million in total OviTex™/ OviTex™ PRS[i] product revenue**
- **Product gross margin of 88%** (3% growth on H1 FY26).
- **Normalised EBITDA[ii] profit of NZ$4.3 million** (up from NZ$1.8 million in H1 FY26).
- **Positive net cash flow of NZ$1.6 million**, ending H1 FY27 with a **cash balance of NZ$28.7million.**

Operational highlights

- **AROA direct sales contributed 68% of product sales**, up from 57% in H1 FY26.
- **Sales productivity improved**, with 15 representatives recording an average annualised sales run rate of US$750,000, up from nine. Active accounts increased to 474 from 380.
- **Commercial leadership strengthened** with Michael Lynskey appointed Chief Commercial Officer and Mike Falcon appointed General Manager – US Commercial.
- **MASTRR Registry interim analysis published**, reporting low infection rates in complex wounds, with a median of one Myriad application per defect.
- **Symphony™ RCT published in October**, demonstrating statistically significant improvements in complete wound closure and time to closure.
- **CMS confirmed its intention to retain the 2027 outpatient payment rate**, providing greater reimbursement certainty to support the Symphony opportunity.
- **Exclusive Endoform™ co-promotion agreement established with Mölnlycke Healthcare US**, supporting growth in US post-acute settings.
- **Mark Dunwoodie joined as CFO and Joint Company Secretary**, ahead of James Agnew's departure on 30 November 2026.

FY27 Outlook

- **Reaffirming FY27 guidance:[iii]**
- **Revenue of NZ$115-125 million**
- **Normalised EBITDA of NZ$8-11 million**

H1 FY27 Results Investor Webinar

- AROA will host a webinar today at 9 AM AEDT to discuss the results. Click here for details and to register.

[1] All results are on a reported basis, except where indicated.

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Management Commentary

Sales growth

AROA delivered total revenue of NZ$55.7 million for the six months ended 30 September 2026, up 24% on H1 FY26 (PCP), primarily reflecting growth in AROA Direct sales.

Myriad driving growth

Myriad™ sales increased 57% on PCP to NZ$30.9 million and were 3% higher than H2 FY26. The second half is typically stronger, and management expects this historical seasonality to continue in FY27. Myriad remains AROA's primary growth driver, contributing 56% of total product sales, compared with 44% in PCP.

The clinical evidence supporting Myriad was strengthened by publication of the MASTRR Registry interim analysis in *Advances in Therapy*. The prospective, observational study assessed safety across 411 patients and 474 defects at 10 US centres. AROA believes it is the largest prospective observational study of bioscaffolds for soft tissue reconstruction in the peer-reviewed literature.

The study reported low deep tissue and superficial infection rates in a challenging patient population, with a median of one Myriad application per defect. No infections or adverse events were definitively attributed to Myriad. These findings strengthen the evidence available to surgeons treating complex wounds and support adoption discussions with hospitals and payors.

Growing contribution from AROA Direct

AROA Direct sales, comprising Myriad, Endoform™ and Symphony™, reached NZ$37.8 million, representing 68% of total product sales, up from 57% in PCP. Myriad contributed 82% of direct sales. Endoform and Symphony sales were NZ$5.9 million and NZ$1.0 million, respectively.

Sales to TELA Bio were NZ$17.8 million, down 7% on PCP, reflecting softer sales by TELA Bio. During the period, TELA Bio appointed Heather Getz as Chief Executive Officer, reviewed commercial activities, and renewed its focus on cost control and inventory management.

TELA Bio contributed 32% of total product sales, compared with 43% in PCP. Strong Myriad growth more than offset the reduction in revenue from this business.

AROA remains confident in the long-term commercial prospects for OviTex and OviTex PRS, supported by their clinical outcomes, and in the ongoing value of the relationship. The arrangement provides access to the hernia and breast reconstruction markets without the associated sales force costs.

Improving sales productivity

Sales productivity improved, with 15 representatives recording an average annualised sales run rate of US$750,000, compared with nine in PCP and 13 in the previous half. This reflected repeat use and wider adoption within existing accounts. Active accounts increased to 474, compared with 380 in PCP and 437 at 31 March 2026.

Commercial leadership was strengthened through the appointments of Michael Lynskey as Chief Commercial Officer and Mike Falcon as General Manager – US Commercial. Michael brings more than 20 years' experience, including senior roles at Smith+Nephew. Mike brings 20 years of medical device sales experience, most recently in soft tissue reconstruction and wound healing at LifeNet Health.

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Symphony outpatient opportunity

Symphony provides an additional growth opportunity in the US outpatient market, with commercialisation still at an early stage.

In October, the Symphony randomised controlled trial was published in the *International Wound Journal*. The study enrolled 143 patients with Wagner Grade 1 or 2 diabetic foot ulcers across 10 US sites. Complete wound closure at 12 weeks was achieved in 55% of ulcers treated with Symphony plus standard of care, compared with 35% receiving standard of care alone. Mean time to closure was reduced by 7.8 days. Both findings were statistically significant, strengthening Symphony's clinical differentiation and the evidence supporting adoption.

In November, the US Centers for Medicare & Medicaid Services confirmed its intention to retain the outpatient skin substitute payment rate of US$127.14 per square centimetre of wound treated for calendar year 2027. This provides greater reimbursement certainty for healthcare providers and supports the economic reset in the outpatient market.

AROA believes the combination of RCT grade clinical evidence, greater reimbursement certainty and responsible pricing positions Symphony for future commercial growth.

Co-promotion agreement with Mölnlycke

AROA entered into an exclusive agreement with Mölnlycke Healthcare US to co-promote Endoform™ in US post-acute settings, effective 16 October 2026. The arrangement combines Mölnlycke's wound care expertise and commercial reach with AROA's regenerative tissue technology to support Endoform's continued growth. AROA retains ownership and responsibility for manufacturing, distribution, and supply, while allowing its direct sales team to focus on Myriad adoption and the Symphony outpatient opportunity.

CFO transition

Mark Dunwoodie has joined AROA as Chief Financial Officer and Joint Company Secretary, ahead of James Agnew's departure on 30 November 2026.

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Normalised Profit or Loss

	H1 FY27 NZ$m	H1 FY26 NZ$m	YoY%
Product revenue	55.6	44.6	25
Total revenue	**55.7**	**44.9**	24
Gross profit	48.8	38.3	27
Product gross margin %	88%	85%	3
Total normalised operating expenses*	(49.2)	(39.6)	24
Normalised EBIT	1.5	(0.8)	287
Normalised EBITDA	**4.3**	**1.8**	145
Normalised gain (loss) before income tax	2.0	(0.9)	314

*These items have been normalised by the amounts outlined within the section headed 'Reconciliation of Normalised Profit or Loss to NZ GAAP Profit or Loss' at the end of this announcement.[iv]

Product Revenue

Product revenue for the period was NZ$55.6 million; a 25% increase compared to H1 FY26.
AROA direct sales accounted for 68% of the product revenue mix (57% in H1 FY26), with Myriad continuing to become a larger part of the overall sales mix.

Product	H1 FY27 NZ$m	H1 FY26 NZ$m	YoY%
Myriad	30.9	19.7	57
OviTex / OviTex PRS	17.8	19.2	(7)
Endoform™	5.9	5.7	3
Symphony™	1.0	-	-

Product Gross Margin %

Product gross margin was 88% in H1 FY27, up from 85% in H1 FY26 due to the sales growth in high-margin Myriad products.

Normalised Operating Expenses and EBITDA

Selling and administrative expenses were NZ$45.9 million for H1 FY27, an increase of 29% on H1 FY26 (NZ$35.5 million). Clinical development costs were NZ$2.6 million, consistent with H1 FY26. Sales and marketing expenses (excluding clinical development) were NZ$34.0 million, an increase of 44% on H1 FY26 ($23.6 million), reflecting a deliberate investment in its sales management.

Research and development expenses were $3.3 million in H1 FY27, a decrease of 20% compared to H1 FY26 ($4.1 million). This was primarily the result of a higher proportion of development costs being capitalised than in H1 FY26.

The Company generated a normalised EBITDA profit of NZ$4.3 million in H1 FY27, an increase of 145% compared to NZ$1.8 million in H1 FY26.

Cashflows

Net cash inflows from operating activities were NZ$6.0 million, compared to NZ$4.0 million in H1 FY26. This improved EBITDA performance was driven by increased sales and improved management of trade debtors.

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In H1 FY27, purchases of property, plant and equipment were $1.0 million(compared to $0.5 million in H1 FY26), reflecting general maintenance CAPEX, including a cyclical upgrade in technology across the business. Capitalised development costs were $2.2 million in H1 FY27 compared to $0.8 million in H1 FY26.

Net cash outflow from financing activities was NZ$0.9 million for H1 FY27, consistent with H1 F26.

The Group reported a total increase in cash on hand and term deposits of $1.6 million for H1 FY27, compared to $1.5 million for H1 FY26. The Group remains debt-free with cash on hand and term deposits of $28.7 million.

FY27 Outlook

FY27 Guidance Reaffirmed

Revenue Guidance: AROA expects FY27 total revenue of NZ$115-125 million. with revenue expected to be in the lower half of the range. Direct revenue is expected to grow by more than 30% compared with FY26, including Myriad growth of more than 35%. Sales to TELA Bio are expected to decline by 20%, representing less than 30% of total revenue.

EBITDA Guidance: The Company expects FY27 normalised EBITDA profit of NZ$8–11 million., reflecting continued improvement in operating leverage while investing NZ $8 million to scale growth.

Commenting on AROA's H1 FY27 results, Managing Director and CEO Brian Ward said:

"We are pleased to report revenue of NZ$55.7 million, driven by strong Myriad growth, alongside continued positive operating cash flow. Our focus is on leveraging the growing clinical evidence to drive broader adoption, supported by our strengthened commercial leadership. We reaffirm our FY27 guidance of NZ$115–125 million in revenue and NZ$8–11 million in normalised EBITDA."

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Authorised on behalf of the Aroa Biosurgery Limited Board of Directors by Brian Ward, CEO.

Contacts

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[i] OviTex and TELA Bio are trademarks of TELA Bio, Inc.

[ii] Normalised operating expenses EBITDA is non-conforming financial information, as defined by the NZ Financial Markets Authority, and has been provided to assist users of financial information to better understand and assess the Group's comparative financial performance without any distortion from the one-off transactions. The impact

of non-cash share-based payments expense and unrealised foreign currency gains or losses has also been removed from the Profit or Loss. This approach is used by Management and the Board to assess the Group's comparative financial performance. All references to normalised EBITDA in this announcement are as set out in this footnote.

[iii] Guidance assumes an average NZ$/US$ exchange rate in FY27 is 0.60 (compared to the average rate of 0.59 in FY26), the applicable US tariff rates remain at 12.5%, and there is no material decline in US medical procedure numbers or sustained disruption to AROA's manufacturing or transportation activities.

[iv]**Reconciliation of Normalised Profit or Loss to NZ GAAP Profit or Loss**

	Unaudited 30 September 2026 NZ$m	Unaudited 30 September 2025 NZ$m
Normalised gain/(loss) before income tax	**2.0)**	**(0.9)**
Share based payments included in selling and administrative expenses	(0.5)	(0.6)
Unrealised currency gains/ (losses) included in net finance income	(0.6)	0.4
Gain / (Loss) before income tax (NZ GAAP)	**0.8**	**(1.0)**

Share based payment expenses

Share based payment expenses were $536,000 (H1 FY26: $555,000). These relate to the vesting of the equity-based awards issued to employees of the Group. Share based payment expenses of $332,000 relating to prior periods were released to accumulated losses, reflecting the forfeiture of employee performance share rights during H1 FY27 (H1 FY26: $75,000). A total of 4,926,432 share options expired during H1 FY27 (H1 FY26: 6,144,050), accounting for $2.4 million share based payment expenses that were recognised in FY21 through FY26.

Unrealised currency gains

Unrealised foreign currency gains reflect net gains resulting from the revaluation of forward exchange contracts and revaluation of non-monetary assets and liabilities excluding cash balances.

About AROA™

Aroa Biosurgery is a soft-tissue regeneration company committed to 'unlocking regenerative healing for every*body*'.

We develop, manufacture, sell and distribute medical and surgical products to improve healing in complex wounds and soft tissue reconstruction. Our products are developed from a proprietary AROA ECM™ technology platform, a novel extracellular matrix biomaterial derived from ovine (sheep) forestomach.

Over 7 million AROA products have been used globally in a range of procedures to date, with distribution into our key market of the United States via our direct sales force and our partner TELABio, Inc.

Founded in 2008, AROA is headquartered in Auckland, New Zealand and is listed on the Australian Securities Exchange (ASX: ARX). www.aroa.com

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