28 August 2026

SomnoMed FY26 Full Year Results

SomnoMed Limited (ASX "SOM" or the Company), the leading company in the provision of oral appliance treatment solutions for sleep-related breathing disorders and obstructive sleep apnea (OSA), is pleased to report its FY26 full-year results for the period ended 30 June 2026 (FY26).

FY26 Highlights

- **Revenue and EBITDA**[1] reported of $114.5m (+3% on pcp) and $10.9m (+19% on pcp), respectively.
- **Strengthened executive leadership team,** with Karen Borg as Chief Executive Officer, Greg Knight appointed Chief Operating Officer and Nathan Minnich appointed Chief Marketing Officer.
- **Expanded manufacturing capacity** by over 20% during FY26, and over 40% across the last two years, whilst improving operational efficiency and reducing production times by over 50% across the same period.
- **Maintained a robust net cash position**[2] of $16.8m at 30 June 2026, enabling support of future growth initiatives.

Karen Borg, SomnoMed's CEO, said, "*SomnoMed delivered a solid performance in FY26, achieving robust financial results and laying the foundations for its next phase of growth, despite challenges that emerged in the second half of the year.*

As we enter FY27, we will be refining our strategic priorities to shape our medium to long-term growth initiatives. These efforts will be supported by our expanded global manufacturing capabilities, a robust balance sheet, a strengthened product pipeline, clear strategies to increase market share in the treatment of OSA, and an experienced leadership team focused on delivering successful execution.

Having transitioned from co-CEO leadership in late July 2026, I take this opportunity to thank Amrita Blickstead again for our partnership as Co-CEO's for the 2.5 years since February 2024."

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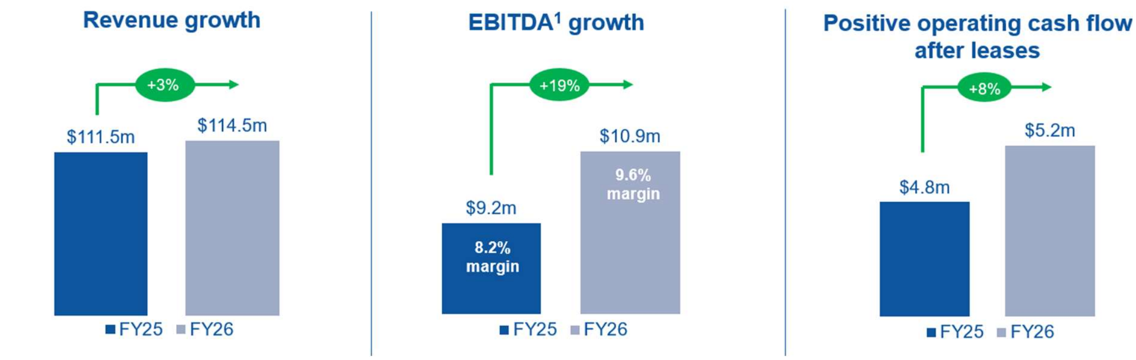
[1] EBITDA excludes leases payments (FY26: $3.1m), share/option expenses (FY26: $3.6m), unrealised foreign exchange gain/(loss) (FY26: $1.1m), one-off costs (FY26: $0.7m - tranche 3 restructure) and discontinued operations (FY26: nil).

[2] $17.2m cash and cash equivalents less $0.4m borrowings

FY26 Financial Review



During FY26, SomnoMed reported revenue of $114.5m, up 3% on the previous corresponding period (pcp), in line with preliminary unaudited results provided in the ASX announcement on 27 July 2026. As previously outlined, a change in the market dynamics in Europe and the significant appreciation of the Australian dollar[3] during the second half of the year adversely affected revenue growth. As a result, the less than 1% decline in revenue in 2H FY26, on a constant currency basis, translated into a 7% reported decline in AUD.

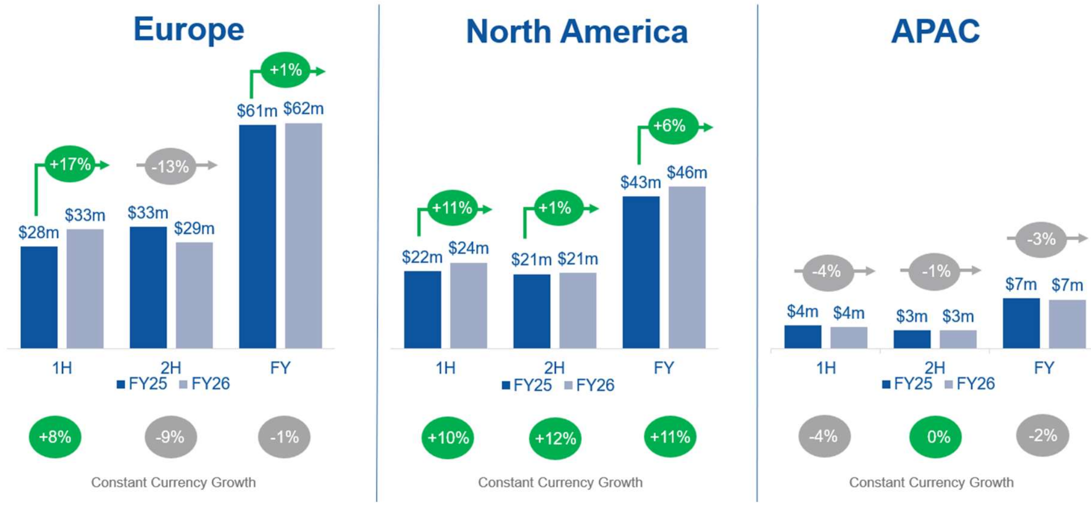
The Company generated EBITDA[1] of $10.9m, up 19% in FY26 (FY25 $9.2m), and in line with guidance. EBITDA[1] margin improved by 140 basis points to 9.6% from 8.2% in FY25, reflecting overall revenue growth, coupled with disciplined cost management and operational agility.

Operating cash flow after lease expenses increased from $4.8m to $5.2m over the year. To support customer demand and product development, capital expenditure, with a focus on growth, rose to $5.7m (FY25: $4.0m).

Cash at bank remained robust at $17.2m, which was flat on the prior year (FY25 $17.3m), while debt reduced by 48% to $0.4m.

[3] Approximately 95% of the Company's revenues are in non-AUD currencies, with the AUD appreciating vs the EUR and the USD in H2FY26 when compared to the average FX rates used in H2FY25. On a constant currency basis, the Group revenue growth in H2FY26 compared to H2FY25 would have been approximately 6 percentage points higher.

Regional revenue growth



Europe

Europe, SomnoMed's largest region, contributed $61.9 million in revenue for the full-year, up a reported 1%, but down 1% on a constant currency basis. While first-half growth was strong, second-half sales were impacted by structural shifts in key European markets, slowing the pace at which patients were able to access oral appliance therapies. These included changes to clinical eligibility and public payor reimbursement criteria, plus a shift in patient referral pathways.

North America

North America is SomnoMed's primary growth driver, delivering $45.8 million in revenue for FY26, up 11% on a constant currency basis and 6% on a reported basis. The strong Australian dollar in 2H FY26 adversely affected reported revenue, which grew by just 1%, despite 12% growth in constant currency terms.

Growth in the region was underpinned by dedicated strategies to drive demand across customer segments, further facilitated by a cost-effective internal sales function and the continued strong performance of Managed Care. The region's focus on contribution and operational efficiencies played a significant role in driving group margin expansion.

Asia Pacific

Asia Pacific, our first commercial region, generated $6.8 million in revenue for the year, a decline of 3% on a reported basis. This was primarily driven by cost-of-living pressures which impacted patient demand across the non-reimbursed markets.

FY26 Operational Highlights

Manufacturing update

During the year, SomnoMed increased manufacturing capacity by more than 20%, through the installation of additional milling machines and broader facility upgrades, and by more than 40% over the last two years.

The enhanced manufacturing capability has reduced reliance upon overtime, eliminated order backlog, and created substantial capacity to support future growth, while reducing production times by more than 50%.

Product Innovation

SomnoMed continues to evolve its product portfolio to address differing reimbursement structures, clinical needs and market dynamics across its key regions.

In late July, SomnoMed announced the controlled market release of Virtus across North America, Europe and APAC. Virtus is a purpose-built therapy for patients with obstructive sleep apnea (OSA) and co-existing sleep bruxism. A large-scale study published in 2023 found that sleep bruxism is a comorbidity affecting approximately 50% of adults with OSA[4].

Virtus has been engineered for exceptional strength and durability to withstand the clenching and grinding forces associated with sleep bruxism, while maintaining comfort and ease of use. Initial feedback from participating clinicians has reinforced the significant clinical need and commercial opportunity for a purpose-built oral appliance therapy solution addressing the combined challenge of OSA and sleep bruxism.

The Company is currently investigating an in-market (US) commercial assessment of Rest Assure® under its existing compliance-focused FDA clearance to be conducted in FY27.

Senior Leadership Changes

In late July 2026, Amrita Blickstead announced her decision to step down as Co-CEO. The Board thanks Amrita for her leadership and service to SomnoMed over the past six years. Amrita demonstrated an outstanding commitment to genuine company change, developed a top-tier team and delivered on the Company's mission and values.

Following this announcement, the Board appointed Karen Borg as the Company's Chief Executive Officer. Accompanying this change, Greg Knight was promoted to Chief Operating Officer, with responsibilities including manufacturing, regulatory affairs and quality assurance, research and development and strategy.

Earlier in the year, the Company appointed Nathan Minnich as Chief Marketing Officer, bringing extensive global commercial and marketing leadership across the dental, sleep and medical technology sectors.

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[4] Li D, Kuang B, Lobbezoo F, de Vries N, Hilgevoord A, Aarab G. A large scale polysomnographic study involving 914 adults with OSA published in March 2023 found that sleep bruxism is highly prevalent in adults with obstructive sleep apnea. Journal of Clinical Sleep Medicine. 2023;19(3):443-451.

Strategic Initiatives & Outlook

SomnoMed enters FY27 with a clear focus on restoring stronger growth while progressively expanding profitability through product innovation, broader market access and disciplined commercial execution. The Board and management are refining SomnoMed's broader strategic roadmap, which will be detailed at the upcoming Annual General Meeting.

A key strategic priority for FY27 is the global commercialisation of Virtus, which commenced controlled market release in late FY26 and expanded in early FY27.

In Europe, the Company has reorganised its commercial, administrative and operational leadership to strengthen focus and execution, with senior leadership spending over a month in-market during FY26 and expanding its in-market presence in Q1 FY27. The Company is also progressing commercial engagement with larger clinics and dental groups, reimbursement evidence generation to support broader patient access, and targeted customer and sales force effectiveness initiatives. North America remains the leading growth region with customer and product-specific market engagement strategies.

Significant opportunities exist to further strengthen the Company's position in the global sleep-disordered breathing market. Consistent CPAP therapy discontinuation rates, increasing OSA patient awareness driven by GLP-1s, and growth in home-based diagnostics, all may increase the number of patients seeking alternative treatment pathways.

As announced on 27 July 2026, the Company is targeting high single digit revenue growth in FY27 while maintaining EBITDA[5] margins consistent with FY26.

FY27 guidance range is expected to be issued as part of the 2026 Annual General Meeting.

FY27 key assumptions and sensitivities:

- Continued NAM growth and EU stabilisation
- Successful global adoption of Virtus – H2 FY27
- Stable EBITDA[5] margins while investing to support future growth
- FX movements

Commenting on the longer-term vision, Karen Borg, CEO said, *"SomnoMed is targeting a return to double digit revenue growth while progressively expanding EBITDA[5] margins through scale and efficiency gains. Growth is expected to be primarily organic, supported by the Company's expanding product portfolio, connected care initiatives and broader market access opportunities, with selective small-scale acquisition opportunities considered where they complement the strategic roadmap."*

[5] EBITDA excludes leases payments, share/option expenses, unrealised foreign exchange gain/(loss), one-off costs and discontinued operations.

Investor Briefing Invitation

SomnoMed is pleased to invite investors and analysts to attend an investor briefing today at 10.30am AEST, via a live webinar.

During the briefing, Karen Borg, CEO, and Ye-Fei Guo, CFO, will provide an overview of the results. The presentation will be followed by a Q&A session.

Participants are invited to register for the webinar via the following link:

https://us02web.zoom.us/webinar/register/WN_8aoW1pk5Sf2iTA9T6ZaYxA

Once you have registered you will receive an email confirming your attendance and information about joining the webinar.

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This release has been approved by the Board of SomnoMed Limited.

For further information please contact

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About SomnoMed SomnoMed is a public company providing treatment solutions for sleep-related breathing disorders including obstructive sleep apnea, snoring and bruxism. SomnoMed was commercialised on the basis of extensive clinical research. Supporting independent clinical research, continuous innovation and instituting medical manufacturing standards has resulted in SomnoDent® becoming the state-of-the-art and clinically proven medical oral appliance therapy for more than 1 million patients in over 20 countries. For additional information, visit SomnoMed at http://www.somnomed.com.au