Annual Report 2026

nanosonics
Infection Prevention. **For Life.**

nanosonics.com.au

Contents

39,230 trophon units

cumulative installed base

31 million patients

protected every year from the risk of ultrasound probe cross contamination

Overview and mission

Overview

Nanosonics (ASX:NAN) is a global leader in automated infection prevention solutions for medical device reprocessing. Its flagship trophon® technology has established a new standard for the high-level disinfection of ultrasound probes and helps protect more than 31 million patients each year. trophon delivers validated, repeatable and efficient reprocessing while reducing procedural variability. Building on this expertise, Nanosonics is advancing the CORIS® System, a groundbreaking automated technology for flexible endoscope cleaning, into commercialisation. The CORIS System has the potential to become the new standard of care in protecting the millions of patients undergoing endoscope procedures annually. Nanosonics operates across North America, Europe, UK and Asia Pacific.

Our mission

We improve the safety of patients, clinics and their staff, and the environment by transforming the way infection prevention practices are understood and conducted, and introducing innovative technologies that deliver improved standards of care.

nanosonics

Infection Prevention. For Life.

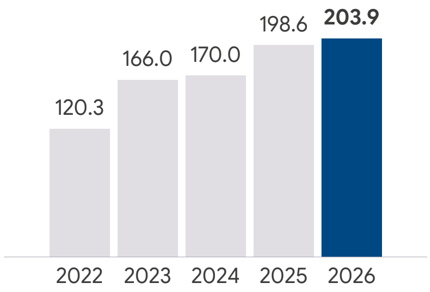
Financial highlights

Revenue ($m)

$203.9m

↑3% vs FY25

6% growth in constant currency[1]

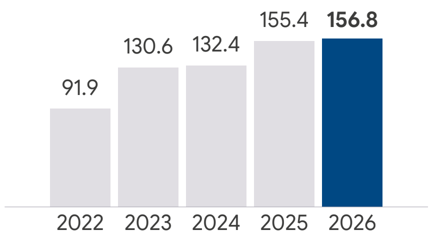


Gross Profit ($m)

$156.8m

↑1% vs FY25

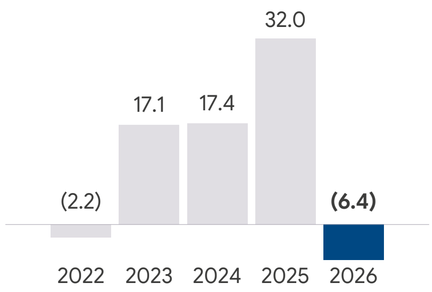
6% growth in constant currency



Cash Flow ($m)

($6.4)m[2]

↓120%vs FY25

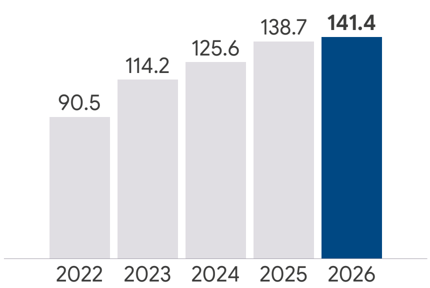


Operating Expenditure ($m)

$141.4m

↑2% vs FY25

4% growth in constant currency

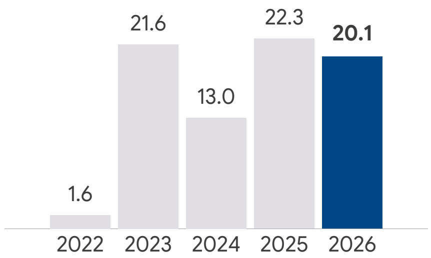


Profit Before Tax ($m)

$20.1m

↓10% vs FY25

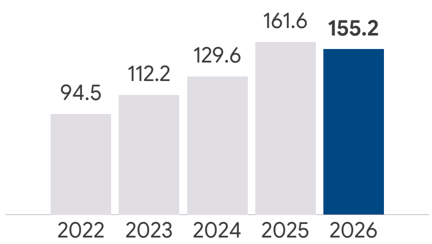
15% growth in constant currency



Cash and Cash Equivalents ($m)

$155.2m

↓4% vs FY25[2]



2026-2022 results

$'000	2026	2025	2024	2023	2022
Revenue	203,893	198,628	170,012	165,993	120,320
Gross profit	156,808	155,358	132,437	130,645	91,905
R&D expenses	(31,791)	(34,699)	(32,809)	(29,514)	(22,358)
EBITDA	24,715	25,877	16,749	26,772	7,509
EBIT	15,998	17,808	9,117	19,635	1,782
Operating profit before tax	20,112	22,287	12,986	21,596	1,578
Net income tax (expense)/benefit	**(2,277)**	**(1,611)**	**(14)**	**(1,713)**	**2,164**
Operating profit after tax	**17,835**	**20,676**	**12,972**	**19,883**	**3,742**
Cash and cash equivalents	**155,222**	**161,638**	**129,552**	**112,159**	**94,512**

1. See constant currency note on page 8 for further information.
2. FY26 includes a share buyback of $20m.

Letter to shareholders

We are now advancing the biggest transformation our Company has delivered since trophon, with the commercial launch of our second platform product, the CORIS® System.

Michael Kavanagh CEO & President

Michael Kavanagh
CEO & President

Chairman and CEO letter for Nanosonics for the financial year 2026

Nanosonics delivered a solid FY26 performance, underpinned by trophon growth, while positioning the CORIS® System as the next major driver of commercial growth.

Nanosonics is entering a defining period of growth.

It has built a clear capability: identifying important infection prevention challenges, developing differentiated technology and helping healthcare providers adopt safer, automated, more reliable standards of care. The global success of trophon® demonstrates this capability, having transformed ultrasound probe reprocessing from a largely manual process into an automated, validated and traceable solution used by healthcare providers around the world.

Steven Sargent
Chairman

The opportunity now is to apply that capability at greater scale. Our ambition is to build Nanosonics into a broader global infection prevention company, with multiple technology platforms addressing complex reusable medical device workflows. We believe this will create new standards of care, deepen customer value and provide a stronger basis for sustainable long-term growth.

During the year, we strengthened the trophon franchise, expanded the installed base, accelerated adoption of the next generation trophon platform, advanced digital traceability and prepared the CORIS® System for commercialisation. These achievements reinforce the two important sources of future value for Nanosonics: the continued expansion and lifecycle value of trophon, and the opportunity for the CORIS System to address a new and significant infection prevention challenge.

Building from strength

The strength of Nanosonics lies in the combination of purpose, technology and execution capability we have built around protecting patients and supporting healthcare providers.

In FY26, the cumulative trophon installed base grew 6% to 39,230 devices globally, helping protect approximately 31 million patients each year. trophon has a recurring value ecosystem supported by consumables, service, digital traceability, software upgrades and structured technology refresh cycles.

The CORIS System applies many of the same strengths that made trophon successful, including superior outcomes, automation, validation, compliance, traceability, consumables, service and workflow change, to flexible endoscope reprocessing.

During FY26, regulatory approvals were achieved, real-world hospital testing advanced and commercial readiness progressed for the CORIS System. As we move into commercial launch throughout FY27, we do so with a clearer operating model and the opportunity to build a second major growth engine alongside trophon.

FY26 Performance: evidence of capability and discipline

In FY26, Nanosonics delivered a strong operational performance, maintained financial discipline and made meaningful progress against our long-term strategy.

Revenue was $203.9 million, up 3% on FY25, or 6% growth to $211.5 million on a constant currency basis. This growth was supported by continued demand for the trophon platform, including increased total device sales, record upgrade momentum and continued consumables and services performance. Gross margin was 76.9%, while disciplined cost management limited operating expense growth to 2%. EBIT was $16.0 million, down 10%, or up 21% to $21.6 million on a constant currency basis.

The underlying strength of the core franchise was evident in the trophon-only business, which generated EBIT of $50.6 million, up 5% on pcp, or up 16% to $56.5 million on a constant currency basis. This demonstrates the earnings power, cash generation and continuing growth in operating leverage in the core business which provides the foundation to fund disciplined investment in future growth.

We continued to invest in research and development, with spend of $31.8 million in FY26. This investment supported the CORIS System, Nanosonics Connect and ongoing enhancement of the trophon platform.

We are deliberately balancing near-term profitability with long-term value creation, prioritising investment where it strengthens our competitive position and expands future growth opportunities.

Letter to shareholders continued

Global upgrade units

2,000

installed in FY26

Our cash flow remained strong, enabling Nanosonics to return $20 million of capital to shareholders via a share buyback. This resulted in net cash outflows of $6.4 million. Excluding the buyback, the Company generated $13.6 million in cash. We ended the year with a cash balance of $155.2 million and remain debt free.

This financial strength gives us the flexibility to allocate capital in a disciplined way. With the CORIS System now entering commercialisation, we plan to step-up investment behind its launch, leveraging our strong balance sheet to accelerate market awareness, generate customer pipeline and drive initial adoption across priority regions. We believe this is an attractive use of our capital to create sustainable long-term shareholder returns, while continuing to support growth in trophon, expand digital capability and build manufacturing readiness.

Innovating in lockstep with infection prevention needs

The healthcare environment continues to move in favour of the solutions Nanosonics provides.

Healthcare providers are increasingly seeking validated, audit-ready processes rather than manual or variable solutions. At the same time, care is being delivered across a wider range of hospital, outpatient and ambulatory settings.

Against a backdrop of budget pressure and inflation, purchasing decisions are increasingly focused on solutions that can demonstrate risk reduction, workflow efficiency and compliance value.

Digital capability, traceability and cybersecurity are also becoming more important for healthcare providers and regulators. These trends reinforce the relevance of our focus on validated automation, digital traceability, workflow efficiency and regulatory readiness.

Our Next Generation trophon platform: trophon3, trophon2 Plus and Nanosonics Connect

Our next generation trophon products, trophon3, trophon2 Plus and Nanosonics Connect, offer customers faster, smarter and more connected workflows, while maintaining the trusted efficacy of automated high-level disinfection.

Launched to customers in early FY26, these technologies saw accelerating adoption in the second half of the year.

The next generation technologies deliver a greater than 40% faster cycle time than previous trophon generations, expanded digital integration and broader traceability capability.

trophon2 Plus brings these same benefits of trophon3, to existing trophon2 customers through a software upgrade, extending the value of their installed devices.

Nanosonics Connect helps customers replace manual record-keeping and paper logbooks with connected digital traceability, supporting audit readiness, reducing administrative burden and improving visibility across departments and facilities.

Together, these innovations strengthen the trophon ecosystem by increasing the value customers can realise from each installed device and by making compliance simpler, faster and more visible across clinical settings.

CORIS on track for commercialisation throughout FY27

The CORIS System is Nanosonics' automated technology designed to transform flexible endoscope reprocessing. It addresses a persistent infection prevention challenge: manual cleaning of flexible endoscope channels is variable, difficult to verify and linked to contamination events. The CORIS System is designed to deliver automated, validated and traceable internal channel cleaning.

The value of the CORIS System lies not only in the device itself, but in the recurring consumables, service, workflow support and clinical confidence that can be built around a validated automated solution.

The CORIS System made strong commercialisation progress in FY26, with Controlled Market Release activity generating real world operational experience and positive customer feedback.

During the year, we also made significant regulatory progress, with clearances received for the CORIS System in Australia, Europe and the UK and expanded endoscope indications cleared in the US by the FDA with further endoscope expansion submissions underway.

The CORIS System is transitioning to commercialisation, starting in the UK, Ireland and Australia in H1 FY27, with the US launch to follow.

Our FY27 focus is on commercialisation, building a strong pipeline of customer opportunities, supporting early adoption and reference sites and establishing the foundations for ongoing growth.

Operational capability and manufacturing readiness

Building our operational capability and capacity for growth was another important achievement in FY26.

During the year, we brought manufacturing of Sonex, a core trophon consumable, in-house at our Indianapolis site. This supports growth in the trophon business and builds supply chain resilience, operational flexibility and local manufacturing capability in North America.

The Indianapolis site has been transformed from a service and administration facility to a combined manufacturing, administration and expanded service facility. In due course, it will manufacture and supply QUANTUM, our core CORIS consumable, globally.

These investments strengthen the operating backbone required to support higher volumes, broader geographic demand and the launch of new consumables over time.

People

Our people remain central to our innovation, execution and growth.

We continue to attract and retain a diverse and talented team of over 500 people representing more than 30 nationalities. Women represent 45% of employees and 44% of senior leadership roles. At Board level, we again achieved our 40:40:20 benchmark, with three out of seven directors being female.

We are continuing to build our capabilities globally through the ongoing attraction and development of a diverse pipeline of talent, alongside other measures, to work towards gender balance and diversity of views in our executive leadership team.

While our overall engagement score moderated from the prior year, our people remain strongly connected to our patient-led purpose. Our annual engagement survey showed our employees believe in Nanosonics' purpose, products and growth prospects, and know how their work contributes to our goals.

Our survey this year also highlighted areas to improve during a period of organisational growth and change, particularly around the requirement to make sure our systems, processes and practices mature at the same rate as the overall organisational growth. The Board and management are actively addressing these areas as part of the Company's ongoing focus on organisational effectiveness and employee experience.

We would like to thank the whole Nanosonics team for their continuing dedication. The progress made during FY26 reflects their collective commitment to innovation, operational excellence, customer support and patient safety.

Governance and Board renewal

Non-executive director, Dr Lisa McIntyre, stepped down from the Board in November 2025 and the Company thanked her for her significant contribution during her tenure. In January 2026, Sarah Butler was appointed as an independent non-executive director. Sarah brings extensive experience in healthcare, strategy and profitable growth, aligned with Nanosonics' strategic priorities.

Outlook for FY27 and long-term growth strategy

As we enter FY27, we have strong momentum across the business and our priorities are clear.

We will continue to grow the trophon franchise, commence commercialisation of the CORIS System and invest in the digital, operational and organisational capabilities required to support scale.

The trophon business is expected to continue delivering revenue growth, supported by installed base expansion, ongoing upgrade activity, next generation platform adoption and recurring revenue through consumables, service, software and traceability.

The CORIS System will be commercially launched throughout FY27, contributing initial revenues and building the market awareness, pipeline and initial adoption that will underpin revenue growth in future years.

Over the longer-term, our strategy is to build Nanosonics into an infection prevention company with multiple growth platforms. We will continue to invest in internal innovation through R&D, while also assessing potential bolt-on M&A opportunities that could strengthen or expand our portfolio where they are strategically aligned and financially disciplined.

Our strong balance sheet gives us the flexibility to pursue these opportunities while maintaining discipline in capital allocation. We will prioritise investments that enhance Nanosonics' long-term growth profile, deepen customer value and support sustainable shareholder returns.

Closing

We would like to thank the healthcare professionals we work with for their continued trust in Nanosonics' technologies and their shared commitment to patient safety.

Thank you also to our shareholders for your ongoing support as we continue to execute our strategy, invest in long-term growth and become a multi-platform infection prevention business. Our ambition is bold, but it is grounded in the capabilities Nanosonics has already demonstrated: category creation, installed base economics, recurring revenue, high gross margins, regulatory execution and disciplined investment. The opportunity now is to convert those strengths into sustained growth, expanding profitability and long-term shareholder value.

Steven Sargent
Chairman

Michael Kavanagh
CEO & President

> Our ambition is to build Nanosonics into a broader global infection prevention company, with multiple technology platforms addressing complex, reusable medical device workflows.
>
> **Michael Kavanagh** CEO & President

Nanosonics delivered solid operational and financial progress in FY26 while advancing towards the commercial launch of the CORIS System.

Financial and operational review

Nanosonics continued to solidify its position as a global leader in automated infection prevention solutions for medical device reprocessing in FY26.

Customer demand for its flagship trophon® technology for the high-level disinfection of ultrasound probes continued strongly, resulting in 6% growth in the cumulative installed base[1] of trophon devices around the globe.

Nanosonics delivered a solid financial performance in FY26 while continuing to invest in its long-term growth strategy. Revenue increased 3% to $203.9 million or 6% on a constant currency[2] basis to $211.5 million. This result was underpinned by continued growth in total device sales, record upgrade momentum in North America, and ongoing demand for consumables and services.

Profitability reflected continued revenue growth as well as disciplined cost management alongside targeted investment in innovation, operational capability and preparations for the commercialisation of the CORIS System. EBIT was $16.0 million, down 10% on a reported basis, or up 21% to $21.6 million on a constant currency basis. The FY26 result positions Nanosonics well to continue advancing its product expansion strategy and support sustainable growth in the years to come.

FY26 was also a year of continued operational progress for Nanosonics, with the trophon platform maintaining positive momentum across key markets. The launch of the next generation trophon technologies, trophon3 and trophon2 *Plus*, was a key milestone which further strengthened the Company's infection prevention technology offering. This next generation technology supported an increase in total trophon unit placements of 9% on the prior year to 4,230 units. In North America, upgrade activity remained a key driver of growth, with upgrade volumes increasing 32% to 1,980 units as customers continued to transition to newer technology.

Nanosonics also advanced its operational capability by bringing the manufacture of Sonex, a core trophon consumable, in-house at its Indianapolis site. This initiative supports greater supply chain resilience, operational flexibility and local manufacturing capability in the large North American market.

1. Cumulative sales of new installed base units.
2. Constant currency removes the impact of foreign exchange rate movements to facilitate comparability of operational performance. This is done by converting the current year sales of entities that use currencies other than Australian dollars and restating foreign currency denominated sales of the parent entity that is impacted by exchange rate movements at the average rates that were applicable in the prior year. The average exchange rate used for the Company's major foreign currency (USD) for the full year was 0.68 (FY25: 0.65).

trophon cumulative installed base

Global cumulutive installed base

39,230
devices

Global cumulative installed base

↑6%
growth on prior year

Total device placements

↑9%
growth on prior year

Nanosonics grew its cumulative installed base across all regions in FY26.

Total trophon unit placements increased 9% on pcp to 4,230 units. 2,230 new installed base units were added during the year, resulting in the cumulative installed base growing 6% to 39,230 devices globally.

The Company's upgrade program also continued to perform strongly, growing 20% with 2,000 upgrade units globally.

Global revenue

Global revenue

$203.9m

Global revenue

↑3%
growth on prior year

Constant currency

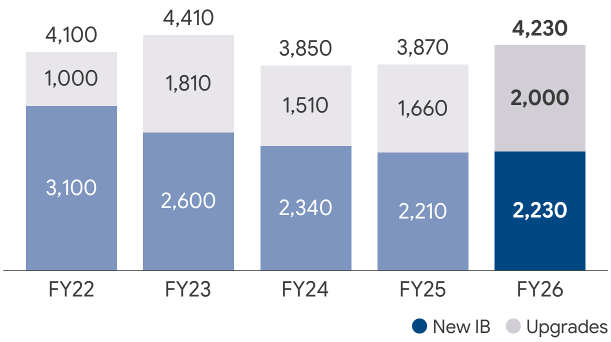
↑6%
growth on prior year

Revenue continues to grow driven by growth in the installed base.

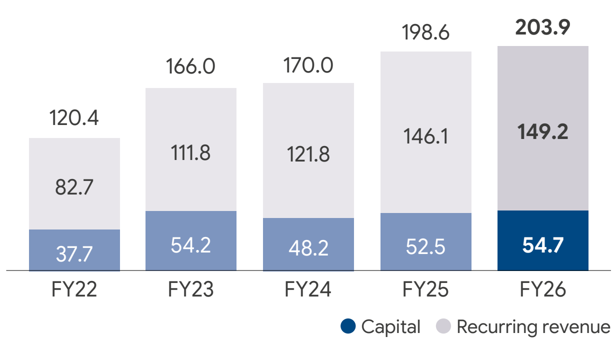
FY26 Revenue was $203.9 million, representing growth of 3% on pcp, in the context of a significant strengthening of the Australian dollar.

On a constant currency basis, Revenue growth was 6% or $211.5 million, highlighting a solid performance.

Total device placements



Total global revenue ($ million)



Graphs are not to scale and therefore not comparable.

Financial and operational review continued

Recurring revenue

Recurring Revenue

$149.2m

Recurring Revenue

↑2%
growth on prior year

Constant currency

↑6%
growth on prior year

Recurring Revenue grew at 6% at constant currency.

Recurring Revenue was $149.2 million, growing 2% on pcp, or 6% at constant currency. Growth was driven across all elements of recurring revenue, except spare parts which continued to decline as expected, customers upgraded to the latest-generation devices.

Annuity Revenue (Annuity Revenue is Recurring Revenue from Consumables & Services, excluding spare parts) grew 8% at constant currency.

Core consumables, which includes Nanosonics Sonex/ NanoNebulant and Chemical Indicators, sales grew 1%, or 5% at constant currency.

Revenue from the services business, including repairs and maintenance of devices and traceability services such as Nanosonics Connect, grew 14%, or 19% at constant currency.

As expected, Revenue from spare parts continued to moderate and was down 22% on pcp, or down 19% in constant currency.

Capital revenue

Capital Revenue

$54.7m

Capital Revenue

↑4%
growth on prior year

Constant currency

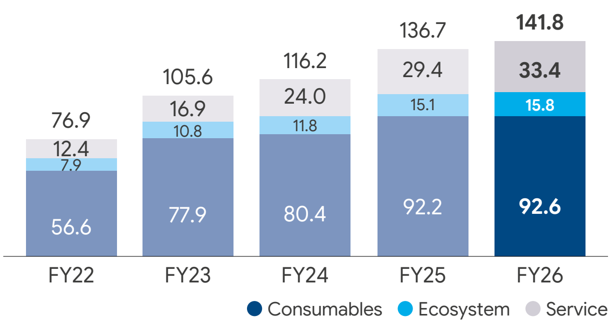
↑8%
growth on prior year

Capital Revenue growth was driven by total device placements.

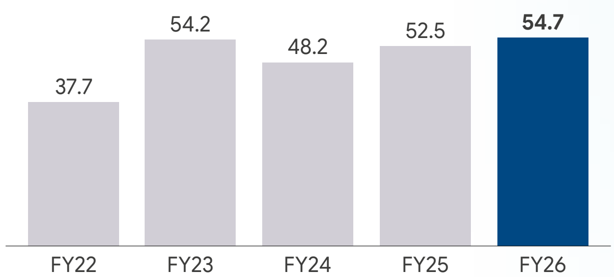
Capital Revenue increased 4% to $54.7 million, up 8% at constant currency, driven by total device placements which increased 9% on pcp to 4,230 units. The Company's upgrade program also continued to perform strongly.

Capital Revenue benefitted from an improvement in pricing through the second half of FY26 as trophon3 took a larger share of sales and increasing uptake of trophon2 Plus software upgrades.

Annuity revenue ($ million)



Capital revenue ($ million)



Graphs are not to scale and therefore not comparable.

Regional performance

North America

Cumulative installed base[1]

34,210

6% growth on prior year

Upgrades

↑2,000

16% growth on prior year

Revenue

$186.4m

3% growth on prior year

Constant currency

↑8%

growth on prior year

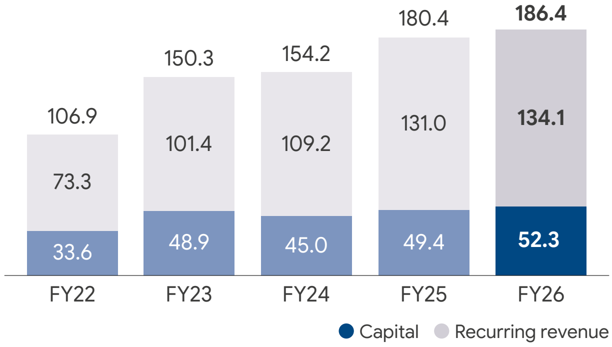
trophon device adoption continued strongly in North America, with record upgrades.

North American Revenue was $186.4 million, 3% on PCP or 8% at constant currency.

Device placements in North America reached a record of 3,880 placements, up 13% on pcp. In addition to 1,900 new installed base units, a record 1,980 upgrade units were placed in North America, reflecting 32% growth over FY25.

Approximately 8,000 original EPR trophon devices remain in North America, representing a meaningful upgrade opportunity for Nanosonics. In addition, both hospital and private physician office settings present a significant expansion opportunity.

North America revenue growth ($ million)



1. Cumulative sales of new installed base units.

Graphs are not to scale and therefore not comparable.

Financial and operational review continued

Europe, UK and Middle East

Cumulative installed base[1]

2,630

8% growth on prior year

New installed devices

200

Revenue

↑ $12.3m

1% growth on prior year

Constant currency

↓ 1%

on prior year

trophon adoption continues in EMEA, supporting good consumables and service growth.

EMEA Revenue was $12.3M, up 1% on pcp, or down 1% in constant currency. Recurring Revenue grew 6% to $10.8 million, with 4% growth in core consumable revenues and 18% growth in service revenue.

200 new installed device units were placed during the year, bringing the cumulative installed base to 2,630 units. While new installed base placements continued to grow, upgrades declined as the majority of original trophon EPR units are already upgraded.

Capital Revenue was $1.5 million, a decline on the prior year impacted by a decrease in total device placements. EMEA Capital Revenue is influenced by the prominence of the MES purchase model in the UK which has no upfront capital component.

Asia Pacific

Cumulative installed base[1]

2,390

6% growth on prior year

New installed devices

↑ 130

44% growth on prior year

Revenue

↓ $5.1m

14% down on prior year

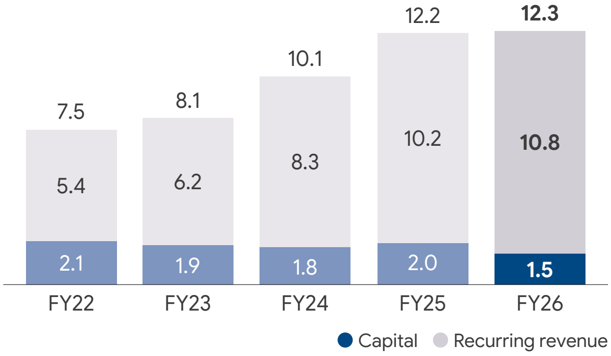
The cumulative installed base grew 6% in APAC.

APAC Revenue is primarily derived from Australia and New Zealand which represent highly penetrated markets for Nanosonics. Despite this, new installed device growth in APAC was 44%, adding 130 units with a large proportion coming from Japan. This increased the cumulative installed base to 2,390 units, reflecting 6% growth. Total units placed were 150, including 20 upgrade devices placed in APAC where the majority of EPR units are already upgraded.

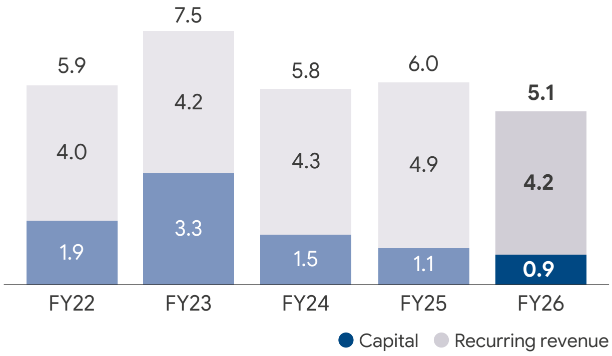
In APAC, Revenue was $5.1 million, down 14% on the prior year. Recurring revenue was $4.2 million down 14% on prior year. Capital Revenue was $0.9 million, down 18% on prior year. This was driven by the placement mix (rental vs capital purchase), particularly in Japan which saw higher rental units, impacting average selling pricing in the country.

Nanosonics continues to see opportunity for its infection prevention technologies in Japan. In FY26, it continued to invest in its strategy to establish local national guidelines for the high-level disinfection of ultrasound probes and towards the regulatory clearance for its next generation trophon3 with the local regulatory authority.

Europe, UK and Middle East revenue ($ million)



Asia Pacific revenue ($ million)



1. Cumulative sales of new installed base units.

Graphs are not to scale and therefore not comparable.

Gross profit

Gross profit

$156.8m

1% growth on prior year

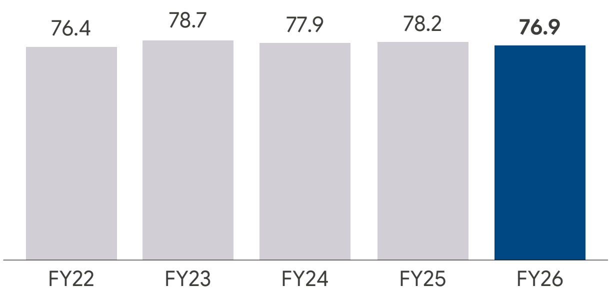
Gross profit margin

76.9%

Gross profit was $156.8 million, reflecting 1% growth on the prior year, or 6% growth at constant currency.

Gross margin was in line with Company expectations at 76.9% for FY26, compared with 78.2% in FY25. The year-on-year moderation reflected product mix and currency movements. Nanosonics recovered $2.5 million in US tariffs paid under the International Emergency Economic Powers Act up to February 2026.

Gross profit margin (%)



Operating expenses

Total operating expenses

$141.4m

Operating expenses

↑2%

growth on prior year

Constant currency

↑4%

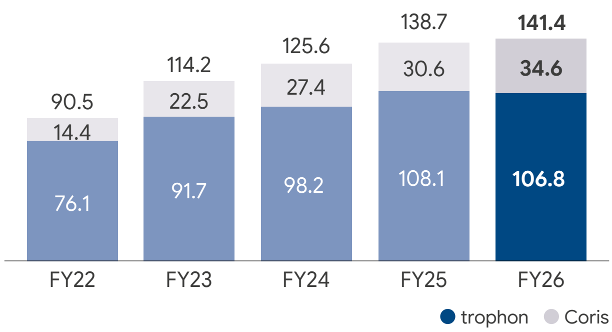
growth on prior year

Nanosonics demonstrated disciplined cost management during FY26.

Operating expense growth was limited to 2% on the prior year to $141.4 million, reflecting disciplined cost control while the Company continued to invest in innovation, operational capability and preparations for the CORIS System commercialisation. In constant currency, this growth was 4%.

With a focus on investing for growth, Nanosonics' invested $106.8 million into trophon and $34.6 million into the CORIS System.

Operating expenses



Graphs are not to scale and therefore not comparable.

Financial and operational review continued

Research and development

Investment in R&D

↓ $31.8m

(8%) vs FY25

R&D as a % of total revenue

16%

vs 17% in FY25

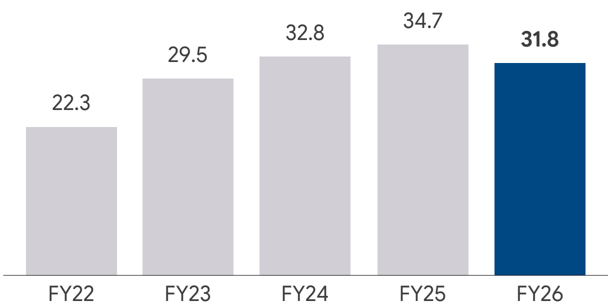
As a science-led healthcare company, innovation is a core growth driver.

Nanosonics continued its strong commitment to R&D, investing $31.8 million this year.

Its sustained investment in R&D over the decades has supported the development of new technology platforms, such as the CORIS System and Nanosonics Connect, and continual enhancement of the trophon platform.

As the business grows its revenue, R&D continues to decrease as a percentage of sales, reducing from 17% in FY25 to 16% in FY26.

R&D investment ($ million)



Intellectual Property (IP)

Nanosonics is creating a strong IP moat for its technologies.

Nanosonics recognises the critical role of its intellectual property portfolio in supporting a sustainable competitive advantage. The Company maintains a dedicated IP function to actively oversee the development of its IP portfolio and undertake third-party IP analysis in support of its strategic growth priorities.

The development of the CORIS System has generated a substantial portfolio of IP and proprietary know-how that collectively represent a significant technological leap relative to the current state.

Other income, EBIT and profit before tax

Other income

Other income for the year was $1.5 million, up from $1.3 million in FY25. This relates to income from the NSW Jobs Plus Program.

↑ $1.5m

$1.3m in FY25

EBIT

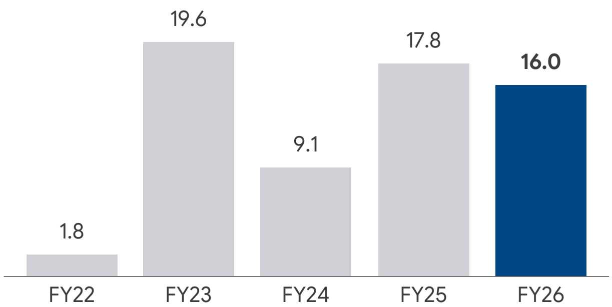
EBIT was $16.0 million, down 10% on pcp, but up 21% at constant currency.

↓ $16.0m

10% down on prior year

21% growth at constant currency

EBIT ($ million)



Profit before tax

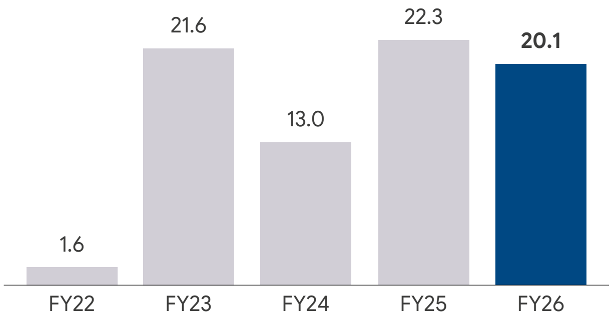
Profit before tax was $20.1 million, down 10% on pcp, or $25.8 million up 15% at constant currency.

↓ $20.1m

10% down on prior year

15% growth in constant currency

Profit before tax ($ million)



Graphs are not to scale and therefore not comparable.

Cash and capital reserves

Business cash flow

↑ $13.6m

excluding $20m share buyback

Net cash outflow

$6.4m

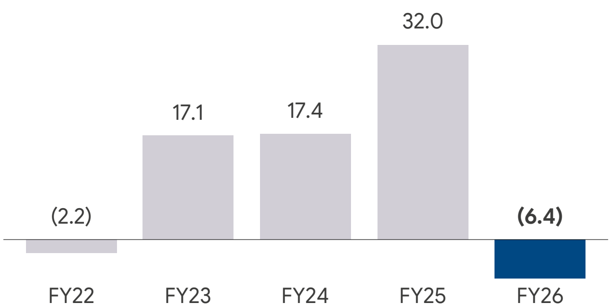
Cash and cash equivalents

$155.2m

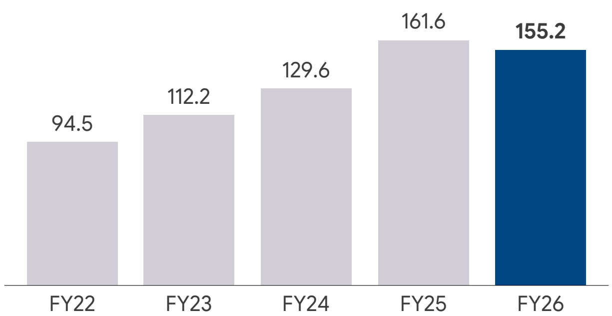
Nanosonics returned $20 million of capital to shareholders via a share buyback resulting in net cash outflow of $6.4 million. Excluding the buy back, the Company generated $13.6 million in business cash flow. Cash flow included inventory investment to prepare for CORIS commercialisation and growth in the trophon business.

Cash and cash equivalents were $155.2 million as at 30 June 2026. Nanosonics continues to have no debt on the balance sheet, giving it flexibility to allocate capital to innovation, market and product expansion, and long-term shareholder value.

Cash flow ($ million)



Cash and cash equivalents ($ million)



Outlook

Strong momentum building as Nanosonics enters FY27.

Nanosonics enters FY27 with strong momentum across the business and clear priorities to build further value from the trophon franchise, commence commercialisation of the CORIS System and continue to scale the commercial, operational and digital capabilities required to support sustainable long-term growth.

Customer demand for trophon is expected to continue into FY27, with growth in the global installed base, upgrade activity and adoption of next-generation trophon platforms, including trophon2 *Plus* software update. This provides a solid foundation for continued Capital and Recurring Revenue growth.

The Company is on track to launch the CORIS System throughout FY27, as the platform transitions from Controlled Market Release into early market adoption with initial revenues anticipated. The CORIS System represents an important new growth opportunity, enabling Nanosonics to address the unmet customer needs in endoscope reprocessing and protect more patients from preventable infections.

Together, these drivers position Nanosonics to continue building long-term shareholder value while investing for sustainable growth.

49% reduction achieved in Scope 1 and Scope 2 emissions this year.

Our commitment to sustainability

Dear Stakeholders,

We are pleased to report on Nanosonics' Sustainability progress in FY26.

Sustainability continued to be embedded in our Mission to improve the safety of patients, clinics, their staff and the environment.

By design, our products, trophon and the CORIS System, support healthcare systems in delivering safer and more sustainable care by replacing legacy reprocessing methods, without creating negative environmental trade-offs.

Emissions reductions

We have continued to make meaningful progress against our emissions reduction objectives.

FY26 was the first year we receive the full-year benefit of actions taken in previous years to reduce our Scope 1 and Scope 2 emissions. As a result, these emissions categories have reduced 49% compared to last year and are now at negligible levels relative to historical performance. This represents a significant milestone in our sustainability journey.

While Scope 3 emissions remain the most complex area for many organisations, we continue to identify practical opportunities to reduce our footprint across the value chain. One important example is the transition of manufacturing activities to Indianapolis, which is expected to reduce transport-related emissions associated with product distribution and support a more efficient supply chain model as our business continues to grow globally.

Progressing our climate and sustainability journey

During FY26 we continued to strengthen our sustainability foundations and prepare the business for the evolving sustainability reporting landscape.

A key focus has been progressing our pathway toward compliance with the Australian AASB S2 climate-related disclosure requirements. Significant work is underway to further mature our governance, climate related risk management, data collection processes and reporting capabilities.

Looking ahead

Continuing our sustainability journey, we will pursue further opportunities that improve patient outcomes, support healthcare workers, strengthen communities and reduce environmental impacts.

Michael Kavanagh
CEO & President

FY27 targets

Caring for our:

Customers and their patients

- Continue growth in the number of patients protected against the risk of cross contamination through the use our trophon technology. Commercialise CORIS System to protect endoscopy patients
- Zero material adverse events/recalls
- Maintain all relevant regulatory approvals globally
- Receive QMS certification for 100% of Nanosonics' sites

People

- Achieve below NSW Safe work Industry target for safety incidents (TRIFR)
- Achieve our FY27 Inclusion & Belonging objectives set out in this Report
- Seek to maintain 100% compliance on all training modules associated with the Code of Conduct & Ethics

Partners

- Conduct multiple on site modern slavery audits with tier 1 suppliers
- Conduct further remediation activities with key suppliers
- Achieve our FY27 Inclusion & Belonging objectives set out in this Report
- Maintain or exceed employee engagement at or above 73%

Planet

- Having already reduced Scope 1 and 2 emissions s in Australia and US operations, seek to maintain this level as we move premises in FY27
- Explore opportunites to align our operations geographically to be closer to our customers to limit Scope 3
- Comply with the mandatory AASB S2 climate-related disclosure requirements from FY27

Company and product overview

Nanosonics is a global market leader in automated infection prevention solutions for reprocessing medical devices.

Infection risk persists because of variability, complexity, and human factors that introduce reprocessing failure. Nanosonics is uncompromising in its pursuit to remove that uncertainty.

We do not accept infection risk as inevitable. We engineer it out.

We are science-led experts in infection prevention and we tackle the hardest, most persistent risks to solve healthcare challenges with discipline and precision.

We are defining a new standard in infection prevention.

Our journey to protect more patients

For more than 25 years, Nanosonics has taken on the hardest infection prevention challenges and solved them through science and engineering. Through its flagship trophon technology for the high-level disinfection of ultrasound probes, Nanosonics has become a global market leader in automated infection prevention solutions, protecting more than 31 million patients each year.

trophon is compatible with more than 1,400 ultrasound probes. It has been proven through rigorous testing to be gentle on equipment, validated, repeatable and efficient in clinical settings. This reflects Nanosonics' focus on easy-to-use automated systems that reduce human, procedural and environmental variability, giving clinicians greater confidence in every reprocessing cycle.

This expertise has driven Nanosonics to take on new challenges, including the cleaning of flexible endoscopes, recognised as one of the hardest steps in reprocessing. The CORIS System is Nanosonics' groundbreaking automated technology designed to transform flexible endoscope reprocessing and has the potential to protect the millions of patients who undergo endoscope procedures each year.

Together, trophon and the CORIS System are providing clinicians with the confidence to focus more on patient care by improving patient safety. They demonstrate Nanosonics' ability to create technologies that deliver consistent, reliable and scalable performance in medical device reprocessing.

Nanosonics Connect is the Company's connectivity technology which further extends the value of our technologies by linking devices, data and workflows to strengthen visibility, traceability and confidence, while supporting compliance, quality assurance and continuous improvement.

By building solutions informed by clinical insights, scientific evidence and robust compliance, Nanosonics continues to set new standards in infection prevention.

Our goal is not only to improve existing practice, but to expand the boundaries of best practice through technologies designed to endure.

An Australian, global success story

Nanosonics is an Australian-founded medtech company that has grown from its origins into a global leader in automated infection prevention. From its Sydney headquarters, Nanosonics has established operations across key healthcare markets and continues to expand its international footprint, including investment in US-based manufacturing and service facility to support customers and future scale.

Values-led culture

Nanosonics has a values-led culture focused on innovation, accountability, collaboration, customer impact and continuous improvement.

Our Core Values

Collaboration – We do things together because we value diversity of opinion, perspective and knowledge, and are stronger when we work as a team.

Innovation – We innovate because we want to continuously make things better, adding value to our existing customers, our operations and our business.

Discipline – We do things right because we are ethical, compliant and are clear about our responsibilities and accountability for delivering on our commitments.

Agility – We are effective because we not only embrace but drive change, we are continuously learning and can adapt quickly.

Will to Win – We do things with a sense of urgency anticipating market and customers' needs because we always strive to be the best with a will to win.

These values are embedded in Nanosonics governance frameworks, such as our Code of Conduct and policies, and are integrated into our accountability and standards of behaviour at work.

Diverse & talented team

Nanosonics' people are central to the Company's success. Our talented and diverse global team supports innovation, commercial execution and customer outcomes across all areas of the business. We continue to invest in attracting, developing and retaining capability across technical, commercial, operational roles, with a particular focus on talent development and leadership.

Inclusion and belonging remain important enablers of our culture, decision-making and global relevance. We continue to attract, develop and retain a talented global team of more than 500 people, representing over 30 nationalities. Gender diversity remains an important focus, with women representing 45% of our workforce and 44% of senior leadership roles. We are further strengthening our global capability by building a diverse pipeline of talent and supporting development initiatives that promote gender balance, broaden perspectives and enhance diversity of views across our executive leadership team.

trophon3®

nanosonics
Infection Prevention. For Life.

Confidence without compromise: now and in the future

Nanosonics trophon®[1] is an automated technology platform for the High-Level Disinfection (HLD) of ultrasound probes, designed to deliver confidence without compromise for healthcare facilities today and into the future.

With decades of experience and supported by rigorous testing, trophon has been proven to be gentle on equipment while delivering a validated, repeatable and efficient process in clinical settings. trophon is compatible with more than 1,400 ultrasound probes across more than 30 leading ultrasound OEMs.

Its independent verification in every cycle, adaptability across workflows and compatibility with different probe geometries provide healthcare practitioners with confidence that every disinfection cycle supports patient protection.

Automatic digital record keeping further strengthens compliance and operational efficiency, capturing traceability information in real time whether reprocessing is performed in a single department or across a hospital network.

The trophon platform comprises Nanosonics' trophon device, supported by proprietary consumables and accessories. Together with Nanosonics Connect™, the platform provides customers with an integrated system that enables safe, consistent and traceable reprocessing in clinical workflows.

trophon technology delivers HLD like no other device

Hydrogen peroxide is a highly effective and trusted disinfectant due to its broad spectrum antimicrobial activity, and it naturally decomposes into non-toxic byproducts (water and oxygen) making it environmentally safe.

Hydrogen peroxide works by breaking down the essential components of pathogens, such as lipids, proteins and DNA. Bacteria, viruses, fungi and spores can all be destroyed or deactivated by hydrogen peroxide. Vapourised hydrogen peroxide has even been added to the FDA's list of Established Category A sterilisation methods.[2]

Only trophon devices use a 'sonically activated' nebulised mist of hydrogen peroxide that envelopes the most challenging surfaces of ultrasound probes in a secure chamber. Each disinfection cycle occurs in a fully enclosed system, making trophon suitable for continuous use directly in patient treatment rooms. Towards the end of the cycle, residual hydrogen peroxide mist is automatically converted into oxygen and water leaving the probe decontaminated, dry and ready for the next patient.

Deadly for microbes

There is no HLD solution with a broader efficacy spectrum than trophon, effectively killing clinically relevant bacteria, fungi, viruses, spores and mycobacteria. This efficacy spectrum includes multi-drug resistant bacteria, blood-borne viruses (Hepatitis B, HIV) and sexually transmitted infections such as chlamydia, gonorrhoea and human papillomavirus (HPV).

1. "trophon" refers to trophonEPR, trophon2, and the trophon3 products.
2. FDA Facilitates Broader Adoption of Vaporized Hydrogen Peroxide for Medical Device Sterilization, FDA (Jan 2024). Ratliff K et al. Letters in Applied Microbiology 2022; 75:933-41.

Leading ultrasound reprocessing

Standards-compliant traceability

Confident capture of traceability information for customers to demonstrate compliance to global and national standards

Healthcare facilities recognise the accurate capture of traceability records for medical device reprocessing is crucial for ensuring patient safety. It also helps healthcare facilities comply with regulations, maintain quality control, and prepare for audits and inspections.

trophon captures and stores traceability records by using computerised logging to track cycle data, physical indicators to confirm disinfection, operator cards to log personnel, and printers to label disinfected probes. It can be customised to fit different needs and workflows.

trophon3: High-level disinfection (HLD) ready where and when you need it

During the year, Nanosonics launched trophon3, the next generation, industry-leading innovation in Ultrasound HLD in Europe, the United Kingdom, Australia, New Zealand, Canada and the US.

trophon3 delivers a range of new customer benefits while maintaining the highest standard in clinical efficacy for patient safety. This new innovation is over 40% faster than previous generations. It has expanded digital integration capabilities and offers the widest traceability capabilities in the ultrasound reprocessing market including new digital traceability through customers' DICOM imaging database systems, the international standard for medical imaging data.

Fully programmable and adaptable, trophon3 can be customised to suit a range of customer workflows enhancing efficiency while delivering consistent, reliable disinfection in a safe, effective, and environmentally friendly way.

Extending the value to our existing customers: trophon2 *Plus*

Alongside trophon3, Nanosonics also launched the trophon2 *Plus* software for its existing trophon2 customers. This software upgrade brings all the new trophon3 features to customers' existing trophon2 investments.

trophon3 and trophon2 *Plus* set a new benchmark in automated high-level disinfection for ultrasound transducers, upholding the trophon technology's market leadership position.

Meeting the needs of a rapidly evolving cybersecurity landscape

Healthcare facilities are increasingly concerned about cybersecurity due to the need to protect sensitive patient data and maintain operations. Ensuring compliance with regulations, which can vary from country to country, is also critical, as non-compliance can lead to substantial fines and legal sanctions.

Nanosonics takes its cybersecurity obligations to customers very seriously and is ISO27001 certified. The cybersecurity landscape is evolving, and Nanosonics is committed to evolving with it.

Supporting customers in their quest for digitalisation and connectivity

Healthcare facilities are digitalising all types of health information, including patient safety data associated with each ultrasound probe reprocessing cycle. Digital traceability improves accuracy and efficiency by reducing human error and streamlining workflows. Digital systems can also enable real-time monitoring and easier compliance with regulatory standards, while also enhancing data security and traceability.

Additionally, digitalisation facilitates detailed data analysis, helping facilities identify trends and optimise processes. It also reduces costs associated with paper records and manual tracking.

However, healthcare facilities vary greatly on their journey to digitalisation. Therefore, it's important that the trophon digital ecosystem meets their current needs and provides a roadmap for their future ambitions.

Nanosonics Connect™ – an internet cloud-based solution that supports advanced healthcare providers and multi-facility networks with consolidated, detailed, compliant, and easily accessible traceability documentation and real-time monitoring for proactive compliance monitoring.

Traceability via DICOM – trophon technology integrates directly with customer's Modality Worklist and PACS infrastructure to automate ultrasound probe traceability. Disinfection records are automatically linked to imaging procedures and stored alongside patient studies, creating a permanent, searchable compliance record in Nanosonics Connect.

Nanosonics Connect™ Mobile app – supports encounter-based worksflows using customer managed iOS and Android devices. This enables organisations to capture and centralise reprocessing records across emergency departments, intensive care, specialty clinics and other point of care environments.

Company and product overview continued

nanosonics
CORIS®

transforming
endoscope
reprocessing

The CORIS System: It's time for a better clean.

For personal use only

The CORIS® System is Nanosonics' groundbreaking automated technology designed to transform flexible endoscope reprocessing by more effectively removing contamination and biofilm from the narrow unbrushable channels in endoscopes.

Significant procedure opportunity

The CORIS System represents Nanosonics' second major platform innovation, extending the Company's infection prevention expertise into endoscope reprocessing. This is a large, underserved market with millions of endoscope procedures performed annually across key markets, and no automated cleaning solution available today.

Similar to Nanosonics' proven trophon platform, the long-term revenue opportunity is expected to be supported by multiple drivers including capital, proprietary consumables, service and future digital traceability and compliance capabilities.

Contamination and the risks to patient safety

Due to their complex, design-led architecture, endoscopes can retain soils after patient use, with biofilm being one particularly hard-to-remove form of contamination commonly found within endoscope channels.

Biofilm is a coordinated community of bacterial cells that can harbour multidrug-resistant organisms and commonly colonises endoscopes.[1] It has been implicated in several endoscopy-related outbreaks.[2,3]

Despite following cleaning and disinfection guidelines, contamination and biofilm can still form and persist inside endoscope channels after cleaning.[4,5]

Mature biofilms can eventually detach from the surface of a device or fragment, posing a risk to patient safety.[6] Bacteria inside the biofilm may break free and potentially can be transferred to another patient.

The CORIS System works by applying the physical friction required to remove biofilm and contamination, delivering automated, validated and traceable cleaning that manual processes cannot match.

Setting a new benchmark in endoscope reprocessing

Cleaning is a critical step in reprocessing flexible endoscopes[7,8,9,10] but manual cleaning has inherent limitations.[11,12,13,14] Some channels are difficult or impossible to brush[15], and flushing alone may not fully remove contamination, even when protocols are carefully followed.[8,16]

Patient risk: Residual organic soil and biofilm can remain within internal channels, contributing to risk of infection.[14,16]

Variability: Cleaning outcomes can vary between individuals, shifts and workloads, so consistent, reliable results are difficult to achieve across facilities.[11-13]

Staff impact: Repetitive motions, chemical handling and exposure to infectious material place ongoing physical and mental demands on reprocessing teams.[13,17]

Operational burden: The complex, labour-intensive process adds pressure in busy, high-pressure reprocessing environments.[13]

Limited traceability: Documentation captures only selected workflow steps, providing limited visibility across the reprocessing cycle.[11,12]

A new era in flexible endoscope reprocessing starts here

The breakthrough Nanosonics CORIS® System delivers automated, validated and traceable internal channel cleaning designed to address the limitations of current cleaning processes.

A new benchmark in efficacy: Delivers the physical friction required to remove soil and biofilm from narrow, branched and unbrushable channels.[18,19]

Engineered for consistency: Standardises a critical cleaning step to reduce variability and support consistent, repeatable cleaning outcomes.[18]

Protects teams: Designed to reduce physical burden and exposure to chemicals and infectious materials via an automated, closed-system workflow.[18]

Confirm and trace every cycle: Captures validated cleaning parameters for each cycle, supporting traceability, verification and audit readiness.[18]

Smarter workflows: Minimises labour-intensive manual steps, helping teams to focus on quality, compliance and other essential tasks.[18]

1. Roberts CG. The role of biofilms in reprocessing medical devices. Am J Infect Control. 2013;41(5):S77-S80.
2. Cimen C, Bathoorn E, Loeve AJ, et al. Uncovering the spread of drug-resistant bacteria through next-generation sequencing based surveillance: Transmission of extended-spectrum ß-lactamase-producing Enterobacterales by a contaminated duodenoscope. Antimicrob Resist Infect Control. 2024;13(1):31 doi:10.1186/s13756-024-01386-5.
3. Haak J, Klempien I, Hans JB, et al. Endoscope-associated outbreak of OXA-181-carbapenemase-producing Klebsiella pneumoniae and its implications for hygiene management. J Hosp Infect. Published online 2025. doi:10.1016/j.jhin.2025.01.016.
4. Primo MGB, Tipple AFV, Costa DM, et al. Biofilm accumulation in new flexible gastroscope channels in clinical use. Infect Control Hosp Epidemiol. 2022;43(2):174-180. doi:10.1017/ice.2021.99.
5. Johani K et al. Determination of bacterial species present in biofilm contaminating the channels of clinical endoscopes. Volume 23, Issue 4, December 2018, Pages 189-196.
6. Di Domenico EG, Oliva A, Guembe M. The current knowledge on the pathogenesis of tissue and medical device-related biofilm infections. Microorganisms. 2022;10:1259.
7. Speer, T. et al. WGO Guideline-Endoscope Disinfection Update. J. Clin. Gastroenterol. 57, 1–9 (2023).
8. Devereaux BM, Jones D, Wardle E, on behalf of the Infection Prevention and Control in Endoscopy Committee. Infection Prevention and Control in Endoscopy 2025 Update. Melbourne: Gastroenterological Society of Australia, 2025.
9. Beilenhoff, U. et al. Reprocessing of flexible endoscopes and endoscopic accessories used in gastrointestinal endoscopy: Position Statement of the European Society of Gastrointestinal Endoscopy (ESGE) and European Society of Gastroenterology Nurses and Associates (ESGENA) – Update 2018. Endoscopy 50, 1205–1234 (2018).
10. Association for the Advancement of Medical Instrumentation & American National Standards Institute. ANSI/AAMI ST91:2021 Flexible and Semi-Rigid Endoscope Processing in Health Care Facilities. (Association for the Advancement of Medical Instrumentation, 2021). doi:10.2345/9781570208300.
11. Sivek, A. D. et al. Healthcare worker feedback on duodenoscope reprocessing workflow and ergonomics. Am. J. Infect. Control 50, 1038–1048 (2022).
12. Madureira, R. A. da S. & Oliveira, A. C. de. Processamento endoscópico: quais são os gaps na prática clínica? Rev. Eletrônica Enferm. 23, 66550–66550 (2021).
13. Ofstead, C. L., Wetzler, H. P., Snyder, A. K. & Horton, R. A. Endoscope Reprocessing Methods. Gastroenterol. Nurs. 33, 304–311 (2010).
14. Goyal, H. et al. Gastrointestinal endoscope contamination rates – elevators are not only to blame: a systematic review and meta-analysis. Endosc. Int. Open10, E840–E853 (2022).
15. Liu, T.-C., Peng, C.-L., Tseng, P.-H. & Chang, W.-K. Efficacy of cleaning of unbrushable endoscope channels in automated endoscope reprocessors: evidence of non-compliance in real-world practice. J. Hosp. Infect. 167, 73–80 (2026).
16. Ofstead, C. L., Smart, A. G., Hurst, L. L. & Lamb, L. A. Endoscope processing effectiveness: A reality check and call to action for infection preventionists and clinicians. Am. J. Infect. Control 53, 785–793 (2025).
17. Ofstead, C. L., Hopkins, K. M., Daniels, F. E., Smart, A. G. & Wetzler, H. P. Splash generation and droplet dispersal in a well-designed, centralized high-level disinfection unit. Am. J. Infect. Control 50, 1200–1207 (2022).
18. Data on file. Nanosonics Ltd.
19. Moshkanbaryans, L. et al. Comparison of two endoscope channel cleaning approaches to remove cyclic build-up biofilm. J. Hosp. Infect. 150, 91–95 (2024).

Company and product overview continued

The CORIS System & accessories

Similar to Nanosonics' proven trophon platform, the CORIS System comprises of the CORIS device, supported by a proprietary consumable, called CORIS QUANTUM, a number of accessories and future digital traceability and compliance capabilities.

Powered by CORIS PULSS technology

The CORIS System uses CORIS PULSS (Pulsed Suspended Solids) technology to deliver the CORIS QUANTUM® cleaning agent. This creates controlled physical friction inside internal channels to actively remove soil and biofilm, including in areas brushes cannot reach.[1,2]

Regulatory clearance achieved in all key geographies

Nanosonics achieved several important regulatory milestones for the CORIS System during the year, supporting its phased pathway to commercialisation. The Company secured the registrations required to commercialise the CORIS System in Australia, the European Union and the United Kingdom, with inclusion in the Australian Register of Therapeutic Goods and CE and UKCA marks applied, respectively.

In the US, Nanosonics built on the earlier De Novo clearance for the CORIS System with its first FDA 510(k) clearance for expanded endoscope indications. This clearance broadened the range of endoscopes that can be processed with the CORIS System expanding its coverage across a higher volume of endoscope procedures.

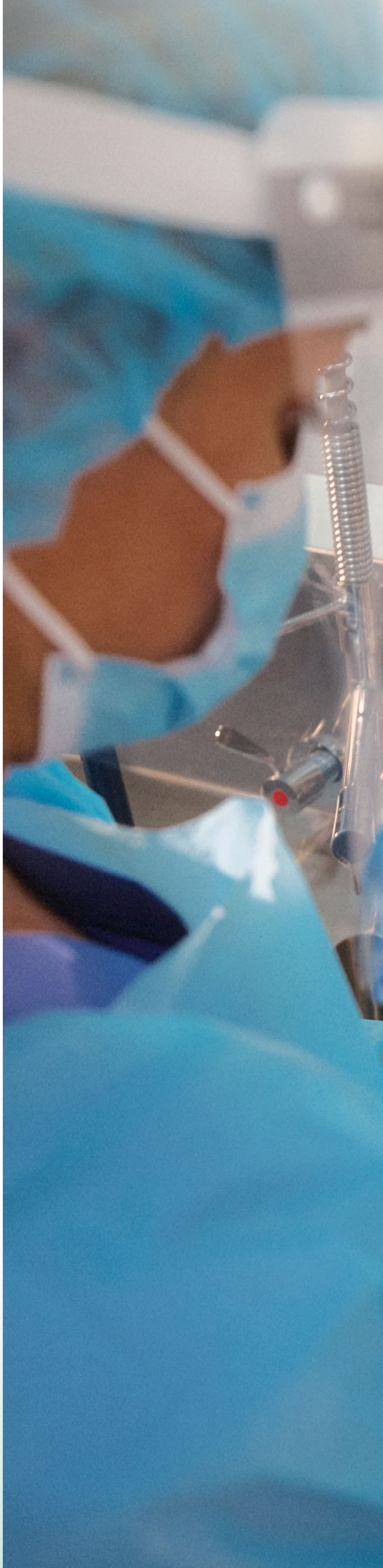
A second 510(k) application has been submitted by Nanosonics to continue extending the CORIS System's clinical applicability, and is under review by the US FDA.

On track for launch throughout FY27

The CORIS System commenced its phased commercialisation rollout in FY26, with Controlled Market Releases (CMR) commencing at select healthcare facilities. A CMR is common in the medtech industry and provides a disciplined pathway to validate product performance, workflow fit, customer experience and reliability in selected clinical environments ahead of full-scale commercialisation. The process supports real-world learnings and allows any unexpected technical or operational issues to be identified and resolved early. Early CMR activity has generated positive customer feedback and valuable commercial learnings for Nanosonics.

The commercial launch of the CORIS System remains on track for FY27.

With regulatory progress achieved across key markets and a phased commercialisation program underway, the CORIS System represents a significant long-term growth platform for Nanosonics, supported by a large procedure-based market, differentiated technology and a proven business model.



1. Data on file. Nanosonics Ltd.
2. Moshkanbaryans, L. et al. Comparison of two endoscope channel cleaning approaches to remove cyclic build-up biofilm. J. Hosp. Infect. 150, 91–95 (2024).


CORIS
15:39
10
nanosonics
Infection Prevention. For Life.
RFID
CORIS Adaptor

The Board

Steven Sargent

BBus, FAICD

Non-Executive Director and Chairman

Mr Sargent joined the Nanosonics Board in July 2016 and was appointed Chairman in July 2022. Mr Sargent's extensive career included 22 years at General Electric, where he gained extensive multi-industry, international experience leading businesses in industries including healthcare, energy and financial services across the USA, Europe and Asia Pacific. Mr Sargent is also a Non-Executive Director of Ramsay Healthcare Limited (since December 2021) and Ramsay Generale De Sante (GDS.PA). Steve's unlisted board activities include Non-Executive Director of The Great Barrier Reef Foundation and Chairman of Origin Energy's philanthropic arm, The Origin Foundation. Mr Sargent was previously Chair of OFX Group Limited (2016 to 2022), Non-Executive Director of Veda Group Limited, and Non-Executive Director of Origin Energy Limited. Mr Sargent holds a Bachelor of Business from Charles Sturt University and is a Fellow with the Australian Institute of Company Directors.

Michael Kavanagh

BSc, MBA (Advanced)

CEO & President and Managing Director

Mr Kavanagh was appointed Chief Executive Officer and President of Nanosonics in October 2013, and serves as Managing Director. He previously served as a Non-Executive Director from July 2012 until his executive appointment.

Mr Kavanagh brings more than 30 years of international commercial leadership experience in the healthcare sector, spanning medical devices and pharmaceuticals. His career includes senior roles across local, regional and global markets, with a strong leadership track record of driving Innovation, Strategy Development & Execution and Global Commercialisation.

Prior to joining Nanosonics, Michael served on the Executive Team of Cochlear Ltd for more than a decade as Senior Vice President of Global Marketing.

Mr Kavanagh has not held any other listed company directorships in the past three years.

Gerard Dalbosco

M.AppFin, B.Comm, FCA, FFIN, GAICD

Non-Executive Director

Mr Dalbosco joined the Nanosonics Board in January 2025 following a distinguished executive career, most notably at EY, where he held senior leadership roles spanning multiple regions and functions, including Oceania Managing Partner and CEO, Asia Pacific Joint Deputy CEO, and Oceania Managing Partner – Transaction Advisory Services. Mr Dalbosco retired from the EY partnership in 2020. Mr Dalbosco's previous governance roles include Mercy Health & Aged Care, Berry Street Victoria and the Committee for Melbourne. Mr Dalbosco is currently a Non-executive Director at Medibank Private Ltd and serves as Chair of Melbourne Archdiocese Catholic Schools. He is also Chair of the Gillespie Family Council & Gillespie Family Foundation (founders/owners of Bakers Delight).

Tracey Batten

MBBS, MBA (Harvard), FAICD, MHA, FRACMA

Non-Executive Director

Dr Batten joined the Board in September 2023. Dr Batten brings over 30 years' experience in the healthcare sector gained in non-executive and executive roles, and medical practitioner and clinical roles. Dr Batten was CEO of Imperial College Healthcare NHS Trust in the UK, St Vincent's Health Australia, Eastern Health and Dental Health Services Victoria. Dr Batten was also Non-Executive Director of Abano Healthcare Group Ltd (NZX Listed) and in various other healthcare related research institutes, charities, and industry and government bodies. Dr Batten is currently a Non-Executive Director of Medibank Private Limited (ASX: MPL), the EBOS Group Limited (NZX: EBO) and IHH Healthcare Berhad (KLSE: IHH; SG: Q0F).

Marie McDonald

BSc (Hons), LLB (Hons), FAICD

Non-Executive Director

Ms McDonald joined the Nanosonics Board in October 2016, bringing with her a strong background in corporate and commercial law, having practised for many years as a partner at Ashurst. Ms McDonald was Chair of the Corporations Committee of the Business Law Section of the Law Council of Australia (2012 to 2013) and was a member of the Australian Takeovers Panel from 2001 to 2010. Ms McDonald is currently a Non-Executive Director of Nufarm Limited (ASX:NUF), Telix Pharmaceuticals Limited (ASX:TLX) and the Walter and Eliza Hall Institute of Medical Research.

Larry Marshall

BSc (Hons), PhD, FAICD, FTSE, FAIP, Federation Fellow

Non-Executive Director

Dr Marshall joined the Board in October 2023. Dr Marshall is a technology innovator, physicist and business leader. Until July 2023, Dr Marshall was Chief Executive of CSIRO for eight and a half years, where he led the first growth in 30 years and doubled the value delivered to stakeholders. During his 26 years in the United States, Dr Marshall co-founded six successful companies in a range of markets including medical device which went public. Over the past 30 years, he has served as CEO/MD of six companies, and Chairman of four. He was MD, then co-Chairman of Arasor which he took public in 2006. In 2007, Dr Marshall became MD of Southern Cross Venture Partners, a Silicon Valley VC firm specialising in Australian innovation. He has been a director of 20 private sector boards in Australia and the United States, including boards of two companies that were subsequently publicly listed. Dr Marshall is currently a Non-Executive Director of Fortescue Metals Group Limited (ASX:FMG).

Sarah Butler

BA (Hons), MA, FAICD

Non-Executive Director

Ms Butler joined the Board in January 2026, bringing more than 35 years' experience in strategy consulting across highly regulated sectors globally. She has held senior roles at Booz Allen Hamilton and Booz & Company, including as Managing Director, Greater China, and at PwC, where she led Global Health Services. Ms Butler is currently a Non executive Director of Australian Clinical Labs (ASX: ACL), Lumonus healthtech, The George Institute for Global Health, and Insurance Manufacturers of Australia Pty Limited (IMA).

The Executive Team

Michael Kavanagh

BSc, MBA (Advanced)

CEO & President and Managing Director

Mr Kavanagh was appointed Chief Executive Officer and President of Nanosonics in October 2013, and serves as Managing Director. He previously served as a Non-Executive Director from July 2012 until his executive appointment. Mr Kavanagh brings more than 30 years of international commercial leadership experience in the healthcare sector, spanning medical devices and pharmaceuticals. His career includes senior roles across local, regional and global markets, with a strong track record in strategy execution, global commercialisation and market development. Prior to joining Nanosonics, Mr Kavanagh was Senior Vice President, Global Marketing at Cochlear Limited, where he spent over a decade driving global market expansion, brand leadership and product commercialisation initiatives for one of the world's leading medical technology companies.

Jason Burriss

BCom, CA

Chief Financial Officer

Jason joined Nanosonics as CFO effective October 2023. Jason has more than 25 years of international experience across healthcare, construction, and financial service industries. Before joining Nanosonics he held senior finance roles with General Electric (GE) for 15 years, notably CFO for GE Healthcare Australia & New Zealand. More recently, he held several CFO roles with the Hilti group for over six years in Dubai and Singapore. Jason is a member of the Institute of Chartered Accountants Australia and New Zealand and attained executive education in Strategic Financial Analysis from Harvard Business School, USA.

Matthew Carbines

LLB, BCom

General Counsel and Company Secretary

Matt joined Nanosonics in August 2017. He was appointed to the Executive Team in October 2021, and as Company Secretary in May 2023. Matt is responsible for all legal and corporate governance matters across the Nanosonics Group. Prior to joining Nanosonics, Matt held a variety of senior legal roles in Australia and abroad, with a focus on technology and healthcare. Immediately prior to joining Nanosonics, Matt served as General Counsel for an international software business based in London. Matt is a member of theAustralian Institute of Company Directors, and the Governance Institute of Australia.

Jodi Sampson

MBA (Exec), CPHR, MAICD

Chief People & Culture Officer

Jodi joined Nanosonics in April 2020 as the first Chief People & Culture Officer. In this role, she is responsible for developing and leading people strategies to support the transformation and growth of the business. Jodi has extensive executive experience in both ASX listed and global companies across a diverse range of industries. She has successfully developed people programs that strengthen leadership capability, improve employee engagement, and promote a diverse and inclusive culture. Before joining Nanosonics, Jodi held significant leadership roles including Human Resources Director at Samsung and Head of Human Resources, APAC at Orange Business Services. In these roles, she was responsible for leading international human resources functions and building a culturally diverse global team.

Bill Haydon

BA,MBA

Regional President, North America

Bill joined Nanosonics as Regional President, North America, in December 2025. He has a broad experience in global medical device and technology executive leadership, with 30 years in high growth, value creating companies. Bill recently led the Pain Management division at Avanos Medical and the Medical Division of Cantel, a global leader in infection prevention and endoscope reprocessing. Other leadership roles include Bayer, AGA Medical and SciMed / Boston Scientific. Bill has served in Board roles for the Medical Alley Association and emerging MedTech companies. He graduated from the University of Minnesota-Duluth and holds an MBA from the University of Minnesota's Carlson School of Management.

Derek Minihane

BSEE, JD

Chief Technology Officer

Derek joined Nanosonics as CTO in September 2023. He has more than 30 years of international experience in diverse sectors including over 10 years in Silicon Valley in the semiconductor industry, and over 15 years in the medical device industry. Prior to Nanosonics, Derek was Vice President of Research and Development at Cochlear and most recently a partner at Deloitte.

Jonathan Burdach

BBioMedSc (Hons), PhD

Chief Medical Affairs and Scientific Officer

Jon joined Nanosonics in 2012 leading the Clinical Affairs function. He has held various roles through his tenure at Nanosonics and joined the Executive Team as Chief Medical Affairs and Scientific Officer in March 2024. Jon is responsible for medical strategy, including clinical research, healthcare professional engagement, scientific communications, medical education and life sciences R&D. Prior to joining Nanosonics, Jon worked as a consultant to early-stage life sciences companies and has worked with the medical research space for over 15 years. He has served as a committee member on various standards development committees and has authored numerous scientific publications and regularly presents at international conferences.

Rod Lopez

MBA, BEng (Hons), GAICD

Chief Operating Officer

Rod joined Nanosonics in April 2019. He is a seasoned international executive with over 25 years of experience, having held critical roles in companies such as Cochlear and GM Holden. During his 13-year tenure at Cochlear, Rod held roles such as Global Head of Manufacturing and Chair of the Operational Excellence Strategy Group. At GM Holden, Rod held senior management roles across operations and global customer liaison. Rod is a member of the NSW Innovation and Productivity Council, Fellow of the Higher Education Academy UK and award-winning academic with continuing Adjunct Faculty appointments for 20 years with Macquarie Business School (formerly MGSM), AGSM@UNSW and The University of Sydney Business School.

Sunny Pillai

MBA, BEng(Hons)

Chief Information Officer

Sunny joined Nanosonics as CIO in November 2022. He has more than 25 years' experience in Information Technology in diverse sectors such as medical device, telco and insurance, with a specific focus on Digital Transformation and Data Engineering platforms. Prior to Nanosonics, Sunny held senior management roles with ResMed, including Head of Finance Systems and Senior Director of Product Innovation.

Ronan Wright

BSc, Bus Management, BEng

Regional President for Europe, and Middle East

Ronan leads the company's growth across Europe and the Middle East, championing innovation and high-performance leadership in complex healthcare markets. Since joining Nanosonics in 2019, he has driven strategic expansion in infection prevention and medical device reprocessing and plays a pivotal role in the launch of the company's new-to-world CORIS technology for endoscopy.

A recognized global leader in medtech and healthcare, Ronan brings over 20 years of experience, having started his career in 1999 and held senior roles with Pentax Medical, Johnson & Johnson, (ASP) Advanced Sterilization Products and Wassenburg Medical. He is based in Dublin, Ireland.

Kimberly Hill

BSc

Chief Marketing Officer, Regional President APAC

Kimberly Hill joined Nanosonics in August 2025 as Chief Marketing Officer and Regional President APAC, with responsibility for global marketing, product management, strategy, communications, and commercial operations across the Asia Pacific region. She brings over 20 years of international experience in the MedTech and health technology sectors, building high-performing teams, delivering customer-focused innovation, shaping product portfolios, and driving sustainable growth. Kimberly has held senior leadership roles at Medtronic, Getz Healthcare, and Harrison.ai, with a proven track record across the US, Japan, Southeast Asia, and Australia spanning medical devices, consumables, software, and digital health solutions. She holds a Bachelor of Science in Mathematics and Computer Science from the Colorado School of Mines.

Directors' report

Your Directors submit their report together with the Consolidated Financial Report of Nanosonics Limited and its subsidiaries (the Group or Nanosonics), for the year ended 30 June 2026, and the Auditor's Report thereon.

Principal activities

During the year the principal activities of the Group consisted of:

- Manufacturing, service and distribution of the trophon ultrasound probe disinfector and its associated consumables and accessories; and
- Research, development and commercialisation of infection control and decontamination products and related technologies.

There have been no significant changes in the nature of these activities during the year.

Review of operations and financial results

A review of operations and financial position of the Group and its business strategies and prospects is set out in the Financial and Operational Review on pages 8 to 15 of this Annual Report (which forms part of this Directors' report).

Material business risks

Nanosonics has a risk management framework to identify, assess and appropriately manage risks. Details of the risk management framework are set out in the 2026 Corporate Governance Statement, which is available on the Company's website. Nanosonics' material business risks and how they are addressed are outlined below. These are risks that may materially adversely affect the Group's business strategy, financial position or future performance. It is not possible to identify every risk that could affect the Group's business, and the actions taken to mitigate these risks cannot provide absolute assurance that risk will not materialise. Other risks besides those detailed below or in the financial statements could also adversely affect Nanosonics' business and operations. Accordingly, the material business risks below should not be considered an exhaustive list of potential risks that may affect Nanosonics.

Risk	Description and potential consequences	Strategies used by Nanosonics to mitigate the risk
Patient and user safety	Nanosonics' products are used in healthcare settings where patients and clinicians rely on the safe and effective performance of the Company's technologies. There is a risk that through use of the Company's products and services, customers and their patients may not achieve the intended clinical outcomes which could adversely impact patient or user safety.	• Extensive testing and clinical studies demonstrating efficacy of product.Human factors and usability testing designed to minimise the risk of user error. • Automated and validated processes in an enclosed system that consistently monitor and deliver critical process parameters. • Independent process verification through chemical indicators. • Certified quality management systems and rigorous product lifecycle controls. • Comprehensive post-market surveillance and safety monitoring programs. • Ongoing regulatory oversight, audits and compliance activities.
Foreign exchange	The Group is exposed to foreign currency risk and credit risk in light of the international nature of its operations.	• The Group's internal financial risk management policy. The Company also seeks external advice as appropriate. Further information is available in Note 8 to the financial statements. • Implementation of the Company's Financial Risk Management / hedging policies. • Growth plans in a range of different markets (which may be driven by the release of new products) which should reduce the dependency on the US market over time. • Reducing transactional foreign exchange exposure through the localisation of operating costs in key markets, creating a natural hedge against foreign currency revenue streams.
Volatile geopolitical environment	Nanosonics recognises that it has exposure to US policy changes such as an increase in inflation, cost pressure, tariffs and/or an increase in the US tax rates. It is recognised that this may create financial pressure for the business as well as its customers. In addition, it may also impact the timing of customers' purchases of the Group's capital products.	• A range of measures including price adjustments. • A range of sales models and techniques to ensure that the customers' needs and the financial pressures they face are taken into account.

Risk	Description and potential consequences	Strategies used by Nanosonics to mitigate the risk
Research & development and commercialisation	Nanosonics currently has a platform technology, trophon technology, and recognises the need to expand its product portfolio by creating new technologies and products. Development and subsequent commercialisation of any new product requires a significant amount of investment (time, money and resource commitment). Further, all research and new product development programs involve inherent risks and uncertainties which can impact commercialisation timelines. New products are also likely to require a range of regulatory approvals and significant investment in the relevant commercial launch plans.	• A clearly defined framework to support the processes covering product ideation, development and subsequent commercialisation and has made the development of additional technologies a key strategic priority supported with an appropriate level of investment. • Developing the core technology for CORIS, a new product platform technology associated with the cleaning of endoscopes. During the year, the Company commenced A Controlled Market Release of the product in selected markets ahead of broader commercial launch which is planned for FY27 in key markets. • Engaging with customers and a range of experts in relevant fields, to determine the focus of its R&D efforts. • A strong balance sheet which may be useful in executing on potential M&A and licensing opportunities, as well as actively exploring partnerships with third parties to explore their product offerings using Nanosonics' sales channels.
Competition – trophon	The potential for increased competition exposes Nanosonics to the risk of delayed growth and/or losing market share within the ultrasound reprocessing market which has the potential to impact both capital and consumables sales. Nanosonics is also exposed to the risk of medical and technological advancement by competitors where alternative products or methods are developed and commercialised that will impact or slow the rate of adoption of trophon, cause trophon to lose market share, or render trophon units obsolete. Competition is also a potential risk for the Company's new product platform, CORIS.	• Investing in R&D and continuing to evolve the features and benefits available in its technology platform through execution on its product roadmap and responding to market requirements and customer feedback. This is evidenced by the release of trophon3 and trophon2 *plus* during the year. • Investing in its relationships with OEMs, including its probe and endoscope compatibility programs, as well as considering product development opportunities. • Engaging with government and clinical industry and professional associations to further understand, and be at the forefront of, the development of clinical standards and guidelines to ensure that its technology is current and relevant. • Strategically adapt its marketing campaigns, and proactively protects its market share (including by taking action as required where competitors have made false representations or misleading claims about the Company's products). • Strategically adapting to new opportunities and risks such as those presented by AI and sustainability to ensure the Company continues to lead the sectors in which it participates.
Intellectual property	The Company relies heavily on its ability to maintain and protect its intellectual property (IP), including registered and unregistered IP. Nanosonics recognises the potential risk of litigation for alleged infringement by Nanosonics, the need to prosecute third party infringers of Nanosonics' IP, the expiry of Nanosonics' registered IP, and the risk of being unable to register the underlying subject matter or processes in any new products.	• Seeking appropriate patent, design and trademark protection and manages any identified IP risks. Nanosonics also recognises the significant value in unregistered IP. • Working closely with specialists and advisors internationally to monitor and manage its IP portfolio, opportunities and risks. • Filing for IP protection in respect of ultrasound reprocessing, endoscope cleaning, and digital solutions among others. The Group has over 340 patent assets issued or pending globally. With the existing patents and intellectual property, there is potential to expand the applications of our existing product platforms to reprocess and disinfect other goods and/or devices. • Ensuring that its projects, products and related activities include an appropriate assessment of any third-party IP profile against its own IP profile.

Directors' report continued

Risk	Description and potential consequences	Strategies used by Nanosonics to mitigate the risk
Supply chain	The Group is highly aware of managing risks in the supply chain, particularly its dependence on critical suppliers for the supply of key materials which carries the risk of delay and disruption. In addition, the challenges associated with the geopolitical environment, and war in the middle east, compound this risk. Certain materials are available from sole suppliers and regulatory requirements could make substitution costly and time consuming.	• Regularly monitoring its suppliers and their performance and seeks to enter into agreements, where appropriate, to mitigate any supply risk. • Managing inventories in sufficient quantities to ensure continued product supply in the short term. • Improving its supply chain resiliency by moving key consumables manufacturing closer to its customer base in the United States.
Regulation	The Group operates in a highly regulated industry. Medical devices are subject to strict regulations of various regulatory bodies where the products are sold. Regulatory bodies perform regular audits of Nanosonics' manufacturing sites, as well as its third-party suppliers, and failure to satisfy regulatory requirements presents significant risks, including potentially compromising the Company's ability to sell products, and/ or result in an adverse event such as a product recall.	• Investing in a worldwide Quality Management System and investing in suitably qualified personnel to oversee the implementation of that system. • Monitoring the changing regulatory landscape in the countries in which it operates to ensure that its operations adjust to any changes which apply to it. • Regularly perform internal inspections. • Completing annual regulatory audits from key regulators.
Product liability	The Company recognises the risk that its products (or their use) may cause damage to a third party given the nature of the product and the industry the Company operates in.	• Operating a compliant Quality Management System across all aspects of the design, manufacture and release of products to market. • Where relevant, using controlled market release programs for new products. • Establishing product liability insurance.
Personnel	Nanosonics recognises that providing a safe and rewarding working environment is critical to its sustainability. Further, the Company operates in a competitive market in relation to attracting, recruiting and retaining key talent, including scientific, medical device regulations, and engineering talent. There is a risk that it will be more difficult to hire talent. Competition for local talent may also impact talent retention.	• Establishing programs for WHS, and the attraction, recruitment and retention of talent, including an Inclusion & Belonging program. • Establishing various leadership programs, as well as formal and informal learning and development programs for staff. • Maintaining WHS, Inclusion & Belonging and people policies which reinforce a flexible, diverse, equitable and inclusive workplace culture.
Cyber security	Nanosonics recognises the risks associated with cyber security and the potential impact on the Company's operations. A cyber security incident could lead to a breach of privacy, loss of and/or corruption of commercially sensitive data, and/ or a disruption of critical business processes. This may adversely impact customers and the Company's business activities and cause significant reputational damage and legal consequences. The Company also recognises the need to ensure operations can continue in the event of a disaster impacting its critical IT systems.	• Recertifying the business for ISO27001 2022 version. • Maturing its resiliency by overlaying NIST CSF2 in addition to AST E8. • Increasing its cybersecurity certification by progressing its work to achieve HITRUST certification for the United States. • Maintaining robust business continuity/disaster recovery plans. • The Company does not hold any personally identifiable data of patients.

Significant changes in the state of affairs

In the opinion of the Directors, other than the matters described above and in the Financial and Operational Review on pages 8 to 15 of this Annual Report, there were no significant changes in the state of affairs of the Group during the financial year under review.

Dividends – Nanosonics Limited

The Directors do not recommend the payment of a dividend for the financial year ended 30 June 2026. No dividends were proposed, declared, or paid during the financial year (2025: Nil).

The Board reviews the dividend policy regularly. The Company's dividend policy in the future will depend upon the profitability and the financial position, and the capital allocation priorities of the Group at the relevant time.

Matters subsequent to the end of the financial year

No matters or circumstances have arisen since 30 June 2026 that have significantly affected, or may significantly affect:

a. the Group's operations in future financial years;

b. the results of those operations in future financial years; and

c. the Group's state of affairs in future financial years.

Likely developments and expected results of operations

Comments on expected results of the operations of the Group and business outlook are included in the Financial and Operational Review on pages 8 to 15 of this Annual Report.

Further information on likely developments in the operations of the Group in future financial years and the expected results of those operations have not been included in this Directors' report because they would be likely to result in unreasonable prejudice to the Group.

Environmental regulation

The Group is subject to statutory environmental regulations. The Board believes that the Group has adequate processes in place to manage its environmental regulatory obligations and is not aware of any breach of those environmental regulations as they apply to the Group.

Directors and Company Secretary

Information on the Directors, Company Secretary and the Executive Team is a part of the Directors' report and can be found on pages 26 to 29 of the Annual Report.

As at the date of this report, Nanosonics Limited has the following Committees of the Board: Audit and Risk, Nomination, Remuneration, People and Culture, and Innovation & Development. The Board establishes ad hoc committees focused on specific topics as required. Details of members of the Committees of the Board are included below and on page 39 of the Remuneration Report.

Meetings of Directors

The number of Directors' meetings, including meetings of the Committees, held during the year ended 30 June 2026, and numbers of meetings attended by each of the Directors were as follows:

	Full meetings of Directors		Audit and Risk		Nomination		People & Culture, Safety and Remuneration		Innovation & Development[1]	
	Held[2]	Attended	Held[2]	Attended	Held[2]	Attended	Held[2]	Attended	Held[2]	Attended
Steven Sargent	11	11	4	4	3	3	6	6	2	2
Marie McDonald	11	11	4	4	3	3	6	6	2[3]	2[3]
Larry Marshall	11	10	4[3]	3[3]	3	3	6	6	2	2
Gerard Dalbosco	11	11	4	4	3	3	6	6	2[3]	2[3]
Sarah Butler[4]	6	6	2[3]	2[3]	1[3]	1[3]	3[3]	3[3]	1	1
Tracey Batten	11	11	4	4	3	3	6[3]	6[3]	2	2
Lisa McIntyre[5]	4	4	1	1	3	3	2[3]	2[3]	2	1

1. In addition to the Innovation and Development Committee meeting held during the year, R&D matters were considered on a regular basis at Board meetings.
2. Indicates the number of meetings held which the Director is eligible to attend.
3. Attended in part or full in ex-officio capacity.
4. Sarah Butler was appointed to the Board on 20 January 2026.
5. Lisa McIntyre ceased to be a Director on 5 November 2025.

Directors' report continued

Share-based payments

Shares issued and performance rights and options granted under the share-based compensation plans during the year are detailed below.

Shares issued

During the year ended 30 June 2026, the Company issued a total of 824,860 (2025: 634,894) new ordinary shares in Nanosonics Limited of which 68,014 shares were issued under the Global Employee Share Plan at an average price of $3.01 per share and 756,846 were issued for no consideration pursuant to the exercise of performance rights and options under the share-based compensation plans. No amount was unpaid on any of the shares issued.

As at 30 June 2026, there were 298,910,874 (2025: 303,632,742) ordinary shares in Nanosonics Limited on issue. During the year, the Company repurchased 5,546,728 (2025: Nil) shares for a total amount of $20,000,000 under its on-market share buy-back program. The buy-back formed part of the Company's ongoing capital management initiatives and reflects the Board's commitment to enhancing shareholder value through the efficient deployment of capital. Further information on issued shares is provided in the Share-based payments Note 4.3 and Capital and reserves Note 9.1 to the financial statements.

Share options granted

During the financial year and to the date of this report, the Company granted under the terms and conditions of the Nanosonics Equity Plan (NEP) for no consideration, 2,535,873 unquoted rights with nil exercise price (2025: 2,488,062 with nil exercise price) and none under Nanosonics Omnibus Equity Plan over unissued ordinary shares in Nanosonics Limited. In response to the amendments to the *Corporations Act 2001* (Cth), the Company phased out its existing Nanosonics Omnibus Plan (which was adopted in 2016) and replaced it with a new NEP. Further information on the grants is provided in Share-based payments Note 4.3 to the financial statements. The NEP was adopted in November 2023. Section 7.3 of the Remuneration report provides the details of grants received by Key Management Personnel.

Shares under option

At the date of this report, there were 6,441,108 unissued ordinary shares of Nanosonics Limited under option under the Nanosonics Equity Plan. As at 30 June 2026, there were 6,441,108 (2025: 6,784,794) unissued ordinary shares of Nanosonics Limited under option, including performance rights and share appreciation rights. Further information on the options is provided in the Share-based payments Note 4.3 to the financial statements.

Share-based compensation plan	Number of shares under option
Total shares under option at 30 June 2026	6,441,108
Performance rights and options lapsed	—
Total shares under option to the date of this report	**6,441,108**

The options entitle the holder to be issued shares in the Company in accordance with the terms of the options provided the options are exercised on or after their vesting date and prior to their expiry date. No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Indemnifying officers or auditor

During the financial year, the Company paid insurance premiums to insure the Directors and Secretary and Key Management Personnel of the Company and its controlled entities against certain liabilities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their positions or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

The Directors have not included in this report the amount of the premium paid in respect of the insurance policy, as such disclosure is prohibited under the terms of the contract. To the extent permitted by law, the Company has agreed to indemnify its Directors. No payment has been made to indemnify the Directors during or since the financial year.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act.

Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) and where noted ($'000) under the option available to the Company under ASIC Instrument 2026/183. The Company is an entity to which that Instrument applies.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board of Directors has considered the position and, in accordance with advice received from the Audit and Risk Committee, is satisfied that the provision of the non-audit services by the auditor did not compromise the auditor independence requirements and is compatible with the general standards of independence for auditors imposed by the Corporations Act for the following reasons:

a. All non-audit services have been reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
b. None of the services undermines the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate of the Company or jointly sharing risks and rewards.

During the year, the auditor of the Group, Ernst & Young, provided certain other services in addition to its statutory duties. These activities were conducted in accordance with the Company's Auditor Independence Policy, and in the Company's view did not compromise their independence.

Details of amounts paid or payable to the auditor of the Group in relation to audit and non-audit services are disclosed in Note 10.5 to the financial statements.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act is included on page 61 of this report.

Auditor

Ernst & Young was appointed auditor effective from 3 November 2017 and continues in office as auditor in accordance with section 327 of the Corporations Act.

Corporate governance

The Company's Corporate Governance Statement and the ASX Appendix 4G are released to ASX on the same day the Annual Report is released. The Corporate Governance Statement and corporate governance policies can be found on the Company's website at http://www.nanosonics.com/Investor-Centre/Corporate-Governance.

Remuneration report

The Remuneration report forms part of the Directors' report.

This Directors' report, which includes the Financial and Operational Review (on pages 8 to 15), the Information on the Board and the Executive Team (on pages 26 to 29), the Remuneration report (on pages 36 to 59), and the other sections of the Annual Report expressly referred to in this report, is made on 25 August 2026 and signed in accordance with a resolution of Directors, pursuant to section 298(2) of the Corporations Act.

Steven Sargent
Chairman

Sydney, 25 August 2026

Remuneration report

Letter from the Chair of the People & Culture, Safety and Remuneration Committee

Dear Fellow Shareholder,
On behalf of the Board, I am pleased to present the Nanosonics Remuneration Report for the year ended 30 June 2026.

Nanosonics in FY26

FY26 was another year of disciplined execution and strategic progress for Nanosonics as we invested in the capabilities, innovation and people that will underpin our next phase of growth. During the year, we successfully launched trophon3 and trophon2 *Plus*, expanded our global installed base, strengthened recurring revenue streams, and continued to invest in organisational capability and commenced the Controlled Market Release of CORIS.

The Company's financial performance reflected the underlying strength of its business model. Reported revenue of $203.9 million was up 3% compared to prior corresponding period, with revenue in constant currency up 6% to $211.5 million.

During FY26, Nanosonics continued to invest in organisational capability, growing its global workforce to 508 employees. Leadership capability, organisational design and Inclusion & Belonging objectives progressed. Female representation at senior leadership remained balanced at 44% and at the Executive Team level increased from 9% to 18%, consistent with our commitment to reach 40% over time. Global safety performance continued to outperform industry benchmarks.

Although the overall employee engagement score moderated from the prior year, feedback continued to demonstrate strong connection to the Company's purpose, products and growth ambition. Our survey identified opportunities to further strengthen organisational effectiveness by continuing to mature systems, processes and practices in line with the Company's growth and these are now being actively addressed.

FY26 Remuneration and outcomes

The Board considers FY26 remuneration outcomes appropriately reflect the Company's performance and the Executive Leadership Team's delivery against strategic objectives.

FY26 STI Outcomes

FY26 represented the first year in which the Company's revised STI financial measures were assessed, reflecting the Board's decision to place greater emphasis on operational performance and Annuity Revenue growth.

FY26 STI Company financial metric outcomes at constant currency were:

- Earnings Before Interest and Tax (EBIT) of $18.9 million (exclusive of tariff refunds), resulting in 75% achievement against target of $20.0 million; and
- Annuity Revenue growth of 7.6%, exceeding threshold of 7.2%, resulting in 55% achievement.

After assessing the Chief Executive Officer & President (CEO&P) and the other Executive KMP's performance against their remaining metrics, the overall STI outcomes, inclusive of financial and non-financial metrics were:

- The CEO&P outcome was 46.8% of maximum (70.1% of target); and
- Average other Executive KMP STI outcome was 48.0% of maximum (72.0% of target).

No positive discretion was exercised in relation to KMP STI outcomes. The Board did, however, moderate one KMP's non-financial objectives by treating the objectives as though they included an engagement element. This resulted in a small downward adjustment to the Executive's STI outcome. This was to ensure consistency of treatment across the Executive Leadership Team (ELT) and resulted in a small downward adjustment to the KMP's STI outcome, (refer Section 5.2 of the Remuneration Report).

There were no values rating modifiers applied to the Executive KMP in FY26.

2022 LTI Award:

The 2022 LTI award (granted in FY23) vested at target, 50% of maximum. The Index Total Shareholder Return (iTSR) component (33.3%) did not vest as the positive TSR gate was not achieved. The Underlying Return on Equity (uROE) component (66.7%) vested at 75% of maximum, following uROE performance of 29.5%, above the 28.0% target.

Looking forward to FY27

As we enter FY27, the Board remains focussed on expanding the trophon installed base, growing recurring revenue streams and progressing the commercialisation of CORIS, while continuing to invest in digital, operational and organisational capability to support the Company's long-term strategic ambitions.

FY27 Fixed Remuneration

In determining FY27 fixed remuneration outcomes, the Board considered individual performance, role scope and responsibilities, market positioning and internal remuneration relativities across the Executive Leadership Team. Fixed Remuneration increases in FY27 for CEO&P and Executive KMP were 3.0% on average.

FY27 Remuneration Framework

Following changes made in FY26, the Board reviewed the STI and LTI frameworks, and considers that they remain appropriate and continue to support the successful execution of the Company's strategy.

However, in FY27, one refinement will be made to the STI non-financial objectives: to strengthen executive alignment, all Executive KMP will participate in a common set of three non-financial strategic measures, being the measures considered most material in FY27 to the achievement of the Company's strategic objectives.

FY27 Non-Executive Director Fees

Following an independent benchmarking review, the Board approved fee increases for FY27 of approximately 11% for the Board Chair and Non-Executive Directors, 0% for Committee Chairs and 20% for Committee Members. The last review of Non-Executive Director fees was undertaken in FY23, with changes implemented from 1 January 2024. Further details are provided in Section 6.2.

Aggregate fees payable to existing Non-Executive Directors in FY27 are expected to be approximately $1.16 million (FY26: $1.02 million), approaching the limit of the current shareholder-approved maximum aggregate Non-Executive Director fee pool of $1.2 million. To provide flexibility for future Board renewal activities, including director succession arrangements and the possible appointment of an additional Non-Executive Director, the Company proposes to seek shareholder approval at the 2026 Annual General Meeting (AGM) to increase the aggregate Non-Executive Director fee pool from $1.2 million to $1.6 million. The last approved increase to the maximum aggregate Non-Executive Director fee pool was at the 2022 AGM.

We value the ongoing engagement and feedback from our shareholders and remain committed to maintaining a remuneration framework that is transparent, aligned to performance and supports the successful execution of the Company's long-term strategy.

On behalf of the Board, I invite you to review the Remuneration Report and thank you for your continued support of Nanosonics.

Yours sincerely,

Marie McDonald
Chair
People & Culture, Safety and Remuneration Committee

Sydney, 25 August 2026

Remuneration report continued

The Remuneration Report for the year ended 30 June 2026 (2026 Financial Year or FY26) forms part of the Directors' Report. It has been prepared in accordance with the *Corporations Act 2001* (Cth) (the Act), Corporations Regulation 2M.3.03, in compliance with AASB124 Related Party Disclosures, and audited as required by section 308(3C) of the Act. It also includes additional information and disclosures that are intended to support a deeper understanding of remuneration governance and practices, where statutory requirements are not sufficient.

Report structure

The report is divided into the following sections:

1. Upcoming changes to the FY27 Remuneration Framework
2. Key Management Personnel
3. Remuneration link with Company performance and strategy
4. Remuneration Framework
5. Company performance and remuneration outcomes
6. Non-Executive Director remuneration
7. Statutory tables and disclosures
8. Governance

1 Upcoming changes to the FY27 Remuneration Framework

1.1 Changes to the FY27 short- and long-term incentive frameworks

The Board regularly assesses the effectiveness of Nanosonics' remuneration framework to ensure it remains aligned with the Company's strategy, culture and long-term value creation objectives.

Following the changes introduced in FY26, the Board has reviewed the effectiveness of both the Short-Term Incentive (STI) and Long-Term Incentive (LTI) frameworks and concluded that they remain fit for purpose.

To strengthen executive alignment, the Board has determined that for FY27 STI all Executive KMP will participate in a common set of three non-financial strategic measures, being measures considered most material in FY27 to the achievement of the Company's strategic objectives.

It is not proposed to make any changes to the FY27 LTI framework.

2 Key Management Personnel

This report covers Key Management Personnel (KMP) who are defined as those who have the authority and responsibility for planning, directing and controlling the activities of Nanosonics, directly or indirectly, including any Director (whether Executive or otherwise) of Nanosonics.

			Committee membership			
Name	Role	Appointed	Nomination	Audit & Risk	PCSR	Innovation & Development
Non-Executive Director						
Steve Sargent	Chairman, Independent Director	6 Jul 2016	C	✓	✓	✓
Marie McDonald	Independent Director	24 Oct 2016	✓	✓	C	
Tracey Batten	Independent Director	26 Sept 2023	✓	✓		✓
Larry Marshall[1]	Independent Director	3 Oct 2023	✓		✓	C
Gerard Dalbosco	Independent Director	14 Jan 2025		C	✓	
Sarah Butler[2]	Independent Director	20 Jan 2026				✓
Lisa McIntyre[3]	Independent Director	13 Dec 2019		✓		C
Executive						
Michael Kavanagh	Chief Executive Officer & President (CEO&P) and Managing Director	21 Oct 2013				✓
Jason Burriss	Chief Financial Officer (CFO)	3 Oct 2023				
Rod Lopez	Chief Operating Officer (COO)	4 Mar 2019				

✓ = Member C = Chairman

1. Larry Marshall was appointed as the Chair of the Innovation and Development Committee effective from 5 November 2025.
2. Sarah Butler was appointed as an Independent Director effective from 20 January 2026.
3. Lisa McIntyre retired from the role of Independent Director and the Chair of the Innovation and Development Committee on 5 November 2025.

Remuneration report continued

3 Remuneration link with Company performance and strategy

3.1 Overview of Remuneration Framework

Nanosonics' Remuneration Framework is designed to attract, motivate and retain talent required to deliver the Company's strategic priorities and support its long-term aspiration to be recognised as a global leader in Infection Prevention.

Executive KMP remuneration principles			
Appropriate balance of fixed and variable components.	Attract, motivate and retain executive talent.	Reward outcomes that drive performance and behaviours.	Support shareholder value creation through equity alignment.

Total Remuneration		
Fixed	Variable and at-risk	
Total Fixed Remuneration (TFR)	**Short-Term Incentive (STI)**	**Long-Term Incentive (LTI)**
Fixed remuneration is based on relevant market relativities, role, responsibilities, performance, qualifications, experience and location.	STI performance criteria are set by reference to Company and individual performance targets relevant to the executive's role.	LTI performance conditions are linked to shareholder value creation.
Delivery		
Base salary in cash plus any fixed elements related to local markets, including superannuation or equivalent benefits. This may include fringe benefits and relevant FBT.	Delivered in part cash and part equity. The equity component facilitates share ownership in Nanosonics and increases alignment between executive and shareholder interests. The equity component is deferred and subject to a one-year service condition and a further one-year exercise restriction period following the vesting date, to facilitate the operation of malus/clawback policies and to reinforce shareholder alignment.	Delivered in equity, subject to performance and service requirements. The three-year performance period supports a long-term focus aligned with the interests of shareholders. Equity is deferred and subject to a one-year exercise restriction period following vesting date, to facilitate malus/clawback policies and to reinforce shareholder alignment.
Strategic intent and marketing positioning		
TFR is determined with regard to a range of factors, including relevant market-based data, experience, responsibilities and performance in role.	STI performance requirements are focused on achieving annual objectives that support delivery of the Company's growth strategy. TFR and the STI opportunities are benchmarked to support competitive total remuneration positioning where target performance is achieved.	LTI is designed to focus Executive KMP on the longer-term strategy of the business and align their interests with those of the Company and its shareholders. LTI opportunities are benchmarked to support competitive total remuneration positioning where target performance is achieved.

Total Remuneration is benchmarked to support competitive positioning and reward achievement

3.2 Assessment of behaviours against Nanosonics' Core Values through the application of a Values Modifier

Nanosonics believes the value created by desirable behaviours is inextricably linked to sustainable long-term value creation for shareholders. Our Values, desired behaviours and relationships with our customers and the broader community are considered in the assessment of individual performance.

The Board conducts a formal behavioural assessment of the CEO&P and each Executive KMP as part of their overall performance review. Incentive outcome may be negatively or positively adjusted through the application of a Values Modifier, which may range from 0% to 150%, where behaviours and values demonstrated either do not meet or exceed expectations.

4 Remuneration Framework

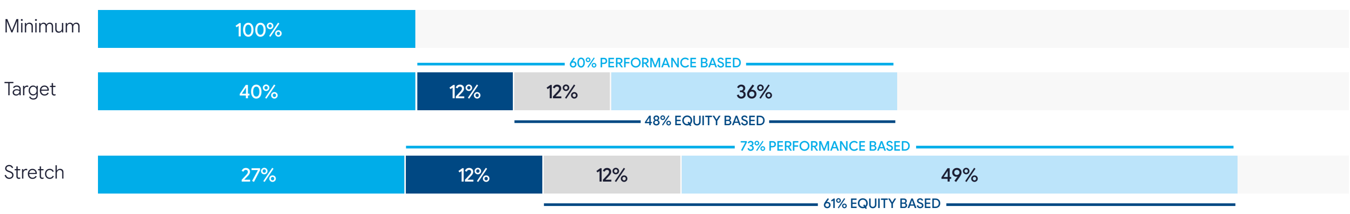
4.1 Remuneration mix

The remuneration mix for each Executive KMP provides an appropriate balance between fixed and variable at-risk remuneration, supporting a focus on short, medium and longer-term performance. The Board considers this approach aligns Executive KMP remuneration with shareholders' interests and expectations. A significant portion of executive remuneration is delivered in equity, representing 48% of total remuneration for the CEO&P and 37.5% for Other Executive KMP at Target performance.

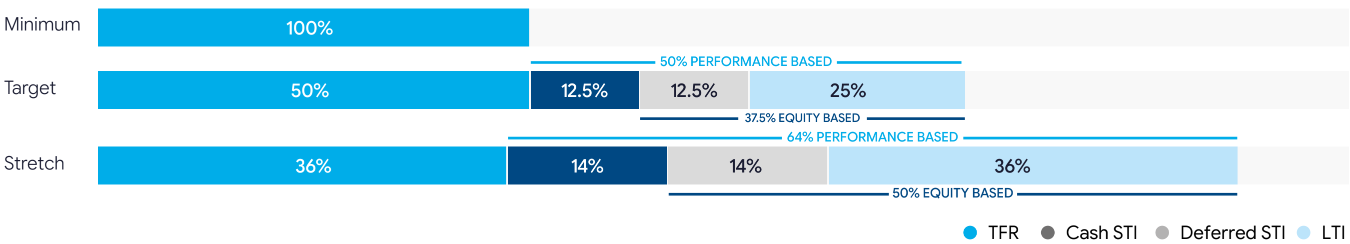
Executive remuneration is reviewed regularly by the People & Culture, Safety and Remuneration Committee (PCSR), having regard to each Executive's individual performance, experience, role responsibilities and relevant market comparators.

The following charts show the FY26 remuneration opportunity mix for the CEO&P and Other Executive KMP.

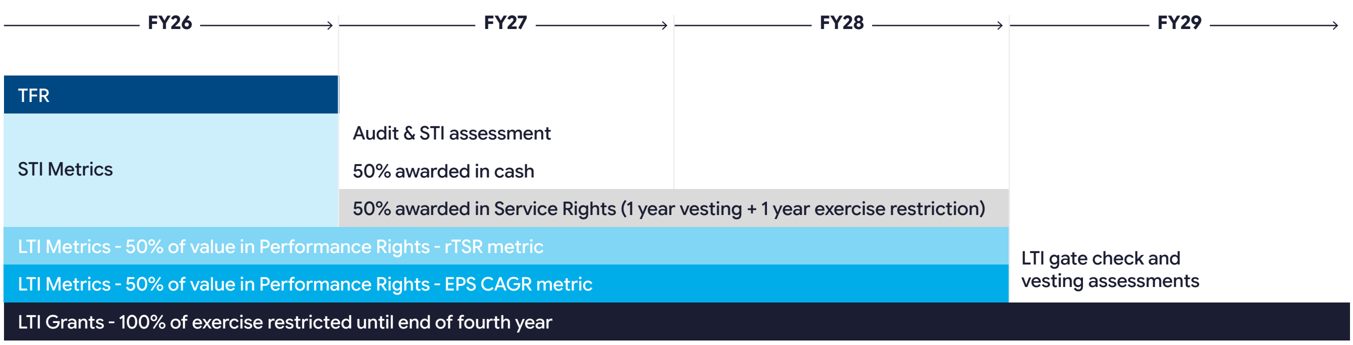
CEO&P Remuneration Opportunity Mix %



Other Executive KMP Remuneration Opportunity Mix %



4.2 Remuneration cycle



4.3 Total Fixed Remuneration (TFR)

TFR comprises base salary plus any fixed elements relevant to local markets, including superannuation or equivalent benefits. Executives may also receive benefits in line with local practice, such as health insurance and car allowance.

Adjustments to TFR may be made having regard to individual performance, changes in role responsibilities, market conditions or promotion.

Any adjustment to Executive KMP remuneration is approved by the Board. For the CEO&P, this approval is based on recommendations by the PCSR Committee. For other Executive KMP, approval is based on recommendations by the CEO&P and PCSR Committee.

Remuneration report continued

4 Remuneration Framework continued

4.4 FY26 Short-Term Incentive (STI)

The following table describes the key features of the STI for FY26. The FY26 STI outcomes are dependent on meeting Company/Regional financial and other non-financial strategic metrics for the year.

Purpose

To motivate and reward Executives for the achievement of Company financial metrics, regional financial metrics and/or strategic non-financial metrics approved by the Board at the beginning of the financial year.

Changes to STI for FY26

The FY26 STI framework was largely consistent with the prior year. As outlined in Section 1.1 of the FY25 Remuneration Report, in FY26 two Group Financial metrics were introduced: Earnings Before Interest and Tax (EBIT) and Annuity Revenue growth. The rationale for these metrics is outlined further below.

Opportunity

The STI opportunities for each of the Executive KMP are:

	% of TFR	
	Target (100%)	Maximum (150%)
CEO&P	60%	90%
Executive KMP	50%	75%

Performance measures

The Board-approved performance metrics for the CEO&P and Executive KMP for FY26 were as follows:

Company financial metrics:

- **EBIT:** EBIT is a key whole-of-company metric for Nanosonics, reflecting the overall strength and efficiency of our business internationally. EBIT provides a better reflection of our core operating performance than the previously used PBT metric, as it excludes sources of non-strategic income such as interest.
- **Annuity Revenue growth:** Given the importance of recurring revenue streams to overall revenue growth and gross margin, Annuity Revenue growth was adopted as a key corporate metric in the FY26 executive STI program, replacing Total trophon Units. Annuity Revenue is defined as total revenue derived from Consumables and Service, excluding spare parts, and is calculated as a % growth compared to the FY25 result.

Unless otherwise stated, FY26 STI financial metrics are assessed on a constant currency basis to remove the impact of foreign exchange rate movements and provide a clearer assessment of business performance.

Non-financial strategic metrics: The FY26 non-financial strategic metrics are specific to each Executive and are aligned with the business priorities and the individual's role.

The weightings for each Executive KMP were as follows:

	Metric weighting allocation			
	Company financial metrics		Non-financial strategic metrics	
Executive KMP	EBIT	Annuity revenue growth	Non-financial	Total weighting
CEO&P	30%	30%	40%	100%
CFO	30%	30%	40%	100%
COO	30%	30%	40%	100%

Vesting scale

The vesting scales for the financial and non-financial metrics are:

	Vesting %	
Achievement	Financial metrics	Non-financial metrics
Below threshold	Nil	Nil
Threshold	50%	50%
Target	100%	100%
Stretch	150%	150%[1]

1. Payment for above target non-financial performance will not exceed a fixed percentage of above target performance of the EBIT metric.

Vesting is on a pro rata linear basis between each level.

4 Remuneration Framework continued

4.4 FY26 Short-Term Incentive (STI) continued

Performance Targets and Vesting schedule

The performance targets and vesting schedule for the Group Financial metrics is:

Metric	Threshold (50%)	Target (100%)	Stretch (150%)
EBIT	$17.8m	$20.0m	$22.3m
Annuity Revenue growth	7.2%	11.2%	15.2%

Vesting for performance between threshold to target, and target to stretch, is calculated on a straight-line basis.

Calculation of STI outcome

The STI outcome for the year is calculated as follows.

Total STI award ($) = TFR ($) Amount paid in the financial year X STI opportunity (% of TFR) X STI outcome % Total of percentage achieved of each metric X Values rating modifier (0% to 150%)

The values modifier rewards positive contribution (to a maximum overall multiplier of 150%) and allows for downwards adjustments (from 100% to zero) for negative contribution based on the Company's Core Values of **Collaboration, Innovation, Discipline, Agility and Will to Win**. The Values rating modifier is applied to the total STI outcome % in determining the final award. Any modifications are made at the sole discretion of the Board and are subject to careful assessment.

Payment vehicle

The STI is delivered as:

- 50% paid in cash; and
- 50% granted as Service Rights (SRs), subject to a one-year service condition, and a subsequent one-year exercise restriction period.

A SR is a right to a share plus, if relevant, additional shares equal in value to the value of any dividends paid on the underlying shares in the period from granting of the SR to date of exercise as if the dividends were reinvested on the ex-dividend date.

Allocation method

The number of SRs granted is determined by dividing the award value by the Volume Weighted Average Price (VWAP) of Nanosonics' shares during the 20 business days following the release of the FY26 financial results.

Dividends

Unvested SRs do not carry any dividend or voting rights prior to exercise.

Termination of employment

Continuous employment with the Company in current or an equivalent role and not serving a notice period:

- at the payment date, to receive the cash component; and
- from the grant date until the vesting date, for the SRs to vest.

Malus and clawback

If the Board becomes aware of circumstances that have resulted in an unfair or inappropriate benefit including, but not limited to:

- a material misstatement or omission in the consolidated financial statements of the Group;
- the misconduct of any Executive KMP; or
- any other circumstance that the Board determines in good faith to have resulted in an unfair or inappropriate benefit to the Executive KMP;

the Board may, at its absolute discretion, reduce, cancel, or claw back awards made under the Company's Employee Share Schemes.

Board discretion

The Board retains overarching discretion to modify STI outcomes, or the form of settlement, if it deems it appropriate, having regard to the circumstances that prevailed over the measurement period. The Board will disclose the application of such discretion to Executive KMP STI awards.

In cases of death, serious injury or illness which prohibits continued employment, retirement, or retrenchment (good leaver circumstances), the Board, in deciding whether to exercise discretion, will consider the performance of the leaver, the length of service given by the leaver, the contribution provided by the leaver, the assistance by the leaver in finding and training a suitable replacement, and any other matter that the Board considers relevant in its absolute discretion. The discretion that the Board may determine is that some or all Equity securities may:

- lapse;
- be forfeited;
- vest immediately or subject to Conditions;
- only be exercisable for a specified period and will otherwise lapse; and/or
- be subject to varied or modified restrictions, including Conditions and Disposal Restrictions that previously applied as a consequence of becoming a leaver.

Remuneration report continued

4 Remuneration Framework continued

4.5 FY26 Long-Term Incentive (LTI) ("FY26 LTI")[1]

Purpose

To incentivise Executives to focus on the drivers of shareholder value creation over the longer term and to align Executive interests with those of shareholders. For this purpose, an external metric (Relative Total Shareholder Return (rTSR)) and an internal metric (Earnings Per Share compound annual growth rate (EPS CAGR)) are used.

Changes to LTI in FY26

Consistent with the Company's focus on whole-of-company performance metrics, EPS CAGR was introduced in FY26 in place of the previously used PBT CAGR metric. Relative Total Shareholder Return (rTSR) remained the second performance metric.

The rationale for this change was outlined in the FY25 Remuneration Report and reflects the Board's view that EPS CAGR provides a stronger alignment between executive reward and long-term shareholder value creation.

FY26 LTI details

At the 2025 Annual General Meeting held on 5 November 2025, shareholders approved the CEO&P's FY26 LTI grant. Details of the FY26 LTI grant, which apply to all Executive KMP, are set out below.

Opportunity

The LTI opportunities for each of the Executive KMP are:

	% of TFR	
	Target	Maximum
CEO&P	90%	180%
CFO	50%	100%
COO	50%	100%

Payment vehicle

The FY26 LTI is delivered through Performance Rights (PRs) granted in two equally weighted tranches with a nil exercise price.

- 50% of the LTI grant value is subject to Nanosonics' rTSR performance condition; and
- 50% of the LTI grant value is subject to the 3-year Earnings Per Share (EPS) compound annual growth rate (CAGR) performance condition over the FY26 to FY28 performance period.

Allocation method

The number of PRs granted is determined as follows:

Number of PRs	=	TFR ($)	X	LTI opportunity % at Stretch	X	Tranche weighting	/	Value of PR

The value of each PR was determined by the Volume Weighted Average Price (VWAP) of Nanosonics shares for the 20 trading-days following the release of the Company's FY25 results ($4.2012).

Performance period

The Performance Period is the period over which Vesting Conditions are assessed. The Performance Periods are set out below:

- rTSR: from the announcement date of the Company's FY25 financial results to the announcement date of the Company's FY28 financial results, based on the 20-day VWAP of the Company's shares following those dates.
- EPS CAGR: from 1 July 2025 to 30 June 2028.

Exercise restriction period

Vested PRs are subject to an Exercise Restriction Period of one year following the Vesting Date and they may only be exercised after that date.

1. Prior to FY26, Nanosonics' LTI awards were named by reference to the calendar year in which the LTI was granted (thus the LTI award granted during FY25 was named the "2024 LTI"). From FY26 onwards, Nanosonics changed the LTI award nomenclature to align with the financial year in which the LTI is granted. Thus, the LTI awarded in FY26 is referred to as the "FY26 LTI".

4 Remuneration Framework continued

4.5 FY26 Long-Term Incentive (LTI) (“FY26 LTI”) continued

<table>
<tr><td>Gate</td><td>A Gate is a condition that, if not fulfilled, will result in nil vesting of certain PRs, irrespective of performance in relation to the Performance Conditions. The Gate for the FY26 LTI Offer is as follows:
For rTSR: the Gate is that the Company’s total shareholder return (TSR) must be positive for the Performance Period.
For EPS CAGR: no Gate applies.</td></tr>
<tr><td>Performance Conditions</td><td>The Performance Conditions for the FY26 LTI Offer are:
For the rTSR tranche, the Performance Condition is based on the TSR of the Company over the Performance Period (equivalent to the change in Share Price, based on the VWAP calculations at the applicable times described above), compared with the TSR of companies comprising the ASX 300 Small Ordinaries Index, excluding companies within the GICS Energy, Financials, Metal & Mining Industry and REIT sectors.
Vesting will be determined on the following scale:
<table>
<tr><th>Outcome</th><th>Vesting Scale</th></tr>
<tr><td>75th percentile</td><td>100% of Performance Rights</td></tr>
<tr><td>50th percentile</td><td>50% of Performance Rights</td></tr>
<tr><td><50th percentile</td><td>0%</td></tr>
<tr><td colspan="2">Pro rata vesting (on a straight-line basis) in between each target outcome</td></tr>
</table>
For the EPS CAGR tranche, the Performance Condition is based on the 3-year EPS CAGR of the Company over the Performance Period. EPS CAGR is measured using FY26 EPS of $0.0682 as the baseline. EPS CAGR is measured on a statutory basis.
Vesting will be determined according to the following scale:
<table>
<tr><th>EPS CAGR achieved</th><th>Vesting Scale</th></tr>
<tr><td>≥15%</td><td>100% of Performance Rights</td></tr>
<tr><td>12%</td><td>50% of Performance Rights</td></tr>
<tr><td>9%</td><td>25% of Performance Rights</td></tr>
<tr><td><9%</td><td>0%</td></tr>
<tr><td colspan="2">Pro rata vesting (on a straight-line basis) in between each target outcome</td></tr>
</table></td></tr>
<tr><td>Exercise and settlement</td><td>Upon exercise of vested PRs, if any dividends were paid by the Company between the Vesting Date and date of exercise of the PRs, the recipient will be entitled to receive additional shares (or a cash payment) equal to the value of the dividends (calculated on the basis that they were reinvested in shares on ex-dividend date) that the recipient would have been entitled to receive in respect of the shares into which his PRs converted had the recipient held those shares on the record dates in respect of those dividends.

It is intended that Exercised Rights will be settled in shares. However, the Board retains discretion to settle those PRs in cash (or an amount equivalent to the value of those shares at the applicable time) or a combination of cash and shares in accordance with the Nanosonics Equity Plan.

The PRs will automatically lapse if the Performance Conditions are not met or, where Performance Conditions are met, the vested PRs will automatically lapse if they are not exercised by the Last Exercise Date.</td></tr>
<tr><td>Dividends</td><td>Unvested PRs do not carry any dividend or voting rights prior to exercise.</td></tr>
<tr><td>Term</td><td>The Performance Rights will have a term ending 10 years from the grant date (Last Exercise Date).</td></tr>
<tr><td>Service condition</td><td>Continuous employment with the Company in the current or an equivalent role from the grant date until the Vesting Date and not working out a notice period as at the Vesting Date for the PRs to vest.</td></tr>
<tr><td>Change in control event</td><td>Without limiting the extent to which the Board can exercise its discretion, the Board may determine that:
i. all unvested Equity Securities will vest or the number of Equity Securities eligible to vest will be pro-rated according to the portion of the Performance Period completed to the date of the Event; and
ii. this pro-rated number of Equity Securities will vest according to the extent to which the applicable Conditions are satisfied to that date.</td></tr>
</table>

Remuneration report continued

4 Remuneration Framework continued

4.5 FY26 Long-Term Incentive (LTI) continued

Malus and Clawback	If the Board becomes aware of circumstances that have resulted in an unfair or inappropriate benefit including, but not limited to: • a material misstatement or omission in the consolidated financial statements of the Group; • the misconduct of any Executive KMP; or • any other circumstance that the Board determines in good faith to have resulted in an unfair or inappropriate benefit to the Executive KMP, the Board may, at its absolute discretion, reduce or cancel or clawback awards made under the Company's Employee Share Schemes.
Board discretion	Under the Plan, the Board may exercise any power or discretion concerning the Plan in its absolute discretion and may waive any provision of the Plan or any vesting conditions or restrictions that apply to an incentive security issued under the Plan. In cases of death, serious injury or illness which prohibits continued employment, retirement, or retrenchment (good leaver circumstances), the Board in deciding whether to exercise discretion will consider the performance of the leaver, the length of service given by the leaver, the contribution provided by the leaver, the assistance by the leaver in finding and training a suitable replacement, and any other matter that the Board considers relevant in its absolute discretion. The discretion that the Board may determine is that some or all Equity securities may: • lapse; • be forfeited; • vest immediately or subject to Conditions; • be exercisable only for a specified period and will otherwise lapse; and/or • no longer be subject to, or may be subject to different restrictions to, some of the restrictions including Conditions and Disposal Restrictions that previously applied as a consequence of becoming a leaver.

4.6 Minimum shareholding requirements

The Company has a policy that requires Non-Executive Directors and members of the Executive Leadership Team to have a minimum equity holding. Non-Executive Directors are expected to establish and maintain a minimum equity holding equivalent to the previous year's annual Director fee (including superannuation and excluding committee fees). The CEO&P is expected to establish and maintain a minimum equity holding equivalent to 100% of their previous year's total fixed remuneration. Other members of the Executive Leadership Team are expected to establish and maintain a minimum equity holding equivalent to 50% of their previous financial year's total fixed remuneration.

The updated minimum shareholding requirements were established during FY26 and will apply from FY27.

The minimum level of equity holding includes vested but unexercised securities and shares held directly, or indirectly as the beneficial owner, by the KMP. The minimum holding is expected to be met within five years of appointment to or commencement in the relevant role.

Executive KMP are expected to meet this requirement through their incentive-based equity awards without needing to make additional share acquisitions.

All KMP who have been in their role for more than five years satisfy the minimum holding requirement, and other KMP who have been in their role for lesser periods are on track to comply.

A copy of the Company's Share Ownership Policy is available on Nanosonics' website, www.nanosonics.com under Investor Centre, Corporate Governance.

5 Company performance and remuneration outcomes

5.1 Relationship between Nanosonics' performance and Executive KMP variable remuneration

Nanosonics' Remuneration Framework is aimed at rewarding Executive KMP for the achievement of sustainable business growth and for the creation of shareholder value in the short, medium and long-term. The following table shows the Company's quantitative performance between FY22 and FY26 with relevant short-term and long-term remuneration outcomes. The table includes both statutory performance disclosures and indicators that have strong links to variable remuneration outcomes.

Five-year performance history	FY26	FY25	FY24	FY23	FY22
Earnings and cash flows					
Revenue ($'000)	203,893	198,628	170,012	165,993	120,320
Profit before tax ($'000)	20,112	22,287	12,986	21,596	1,578
Net profit after tax ($'000)	17,835	20,676	12,972	19,883	3,742
Pre-tax basic earnings per share (Pre-tax EPS) (cents)	6.65	7.35	4.29	7.16	0.52
Basic earnings per share (EPS) (cents)	5.90	6.82	4.29	6.60	1.24
Cash flow ($'000)	(6,114)	31,974	17,412	17,061	(2,180)
Returns					
Share price as at 30 June ($)	3.33	4.05	2.99	4.74	3.36
Three-year CAGR TSR %	(23.6) [1]	1.2	(25.6)	(11.4)	(15.8)
Remuneration outcomes					
Average Executive KMP STI outcome as a % of Target	71.4	87.7	29.9	77.9	41.4
Average Executive KMP STI outcome as a % of Maximum	47.6	58.5	20.0	60.1	31.8
% of maximum that vested during the year	50 [2]	33.3 [3]	30.5 [4]	0 [5]	100 [6]

1. Three-year CAGR TSR is compared to the ASX 300 Industrials Total Return Index over the period 1 July 2023 to 30 June 2026.
2. Relates to 2022 LTI (granted in FY23).
3. Relates to 2021 LTI (granted in FY22).
4. Relates to 2020 LTI (granted in FY21).
5. Relates to 2019 LTI (granted in FY20).
6. Relates to 2018 LTI (granted in FY19). Maximum equal to target.

Remuneration report continued

5 Company performance and remuneration outcomes continued

5.2 FY26 STI outcomes

Nanosonics' STI rewards the CEO&P and Other Executive KMP for the achievement against weighted metrics set by the Board at the beginning of the year to reward the successful implementation of the Company's strategic objectives. The PCSR sets STI targets with consideration to Nanosonics' strategy and business priorities, and alignment to our Core Values. Adherence to Nanosonics' culture, values and behavioural standards are reflected in the application of the Values modifier, which is assessed by the Board at the end of the performance period.

The FY26 metrics are financial and strategic in nature and designed to strengthen alignment between management and shareholders. The payment of the STI is dependent on meeting financial and non-financial metrics.

For the Company financial metrics, each of EBIT and Annuity Revenue growth were above Threshold, resulting in outcomes of 22.4% and 16.5% respectively. The remaining non-financial strategic metrics demonstrated a solid result, with an overall outcome of:

- **CEO&P:** 78.3% of target (31.3% overall weighted outcome).
- **Other Executive KMP:** 85.00% average of target (34.00% overall weighted average outcome).

The overall STI outcome (financial and non-financial metrics) results were:

- **CEO&P:** 70.11% of target.
- **Other Executive KMP:** 72.82% average of target.

The below table summarises the metrics, targets, and outcomes of the Company's financial metrics for the CEO&P and Other Executive KMP.

Company financial metrics	Weighting	Targets and outcomes	Weighted outcome of target
EBIT (Earnings Before Interest and Tax) ($ million) **Measure of operating profitability and aligned with the Company's growth strategy.** The overall outcome ($18.9m) for EBIT in constant currency exceeded threshold of $17.8M, resulting in a weighted outcome of 22.4%. This result was driven by revenue growth, and cost control on operating expenses. The target and outcome excluded the impact of US tariff refunds.	30.0%	Threshold 50%: $17.8m; Target 100%: $20.0m; Stretch 150%: $22.3m; 75%	22.4%
Annuity Revenue Growth **Measure of recurring revenue growth and aligned with the Company's long-term growth strategy.** The overall outcome of 7.6% exceeded threshold of 7.2% resulting in a weighted outcome of 16.5%.	30.0%	Threshold 50%: 7.2%; Target 100%: 11.2%; Stretch 150%: 15.2%; 55%	16.5%
Total company financial metrics	**60.0%**		**38.9%**

The Board did not exercise any positive or negative discretion in relation to the Company financial metrics.

5 Company performance and remuneration outcomes continued

5.2 FY26 STI outcomes continued

The table below summarises the strategic non-financial metrics and outcomes for the CEO&P and Other Executive KMP. For commercial sensitivity reasons, some of the non-financial metrics are not described in detail.

CEO&P / KMP Non-financial strategic metrics	Targets and outcomes: Below threshold 0%	Threshold 50%	Target 100%	Stretch/ Maximum 150%	Weighted outcome as a % of target
Non-financial strategic metrics (KMP role-dependent)					
Capital Management and Financial Discipline (included in CEO&P STI outcome) This metric reflects Nanosonics' progress in delivering strategic capital management and allocation initiatives, including: • Substantial development of inorganic growth opportunities and partnerships • Disciplined financial management and operational efficiency initiatives • Implementation of reporting and analytics solutions for strategic decision support			83% 100%		10–25%
Leading Ultrasound Reprocessing (included in CEO&P STI outcome) This metric reflects the achievement of strategic objectives supporting the trophon portfolio, including: • Delivery of strategic product roadmap milestones • Advancement of customer value and future platform opportunities		75%			5%
CORIS Operational Readiness and Commercialisation (included in CEO&P STI outcome) This metric assesses the Company's operational readiness to support the successful launch of CORIS. It includes: • Advance CORIS through critical regulatory and clinical milestones • Establish scalable manufacturing and supply chain foundations to support sustainable commercial growth • Develop and implement an effective global commercialisation strategy, including pricing and market access • Establish appropriate service, support and operational infrastructure			83% 100%		9–13%
Organisational Design and Effectiveness (included in CEO&P STI outcome) This metric assesses our progress in strengthening organisational design and effectiveness to support the Company's long term strategy. It includes: • Organisational design to ensure realisation of our strategic objectives • Leadership capability and succession to ensure business continuity and effectiveness in critical roles			85% 100%		5–7%
Employee Engagement (included in CEO&P STI outcome) This metric measures employee engagement at the Company, Functional, or Regional level The threshold for this metric was the 2025 employee engagement result of 71%; however, the employee engagement result for 2026 was 65%	0%				0%
Manufacturing and Supply Chain Strategy This metric assesses improvements to manufacturing capability, supply chain resilience and service readiness to support the Company's overall growth strategy. It includes: • Geographic expansion and optimisation of manufacturing capability • Initiatives to strengthen supply chain resilience and operational efficiency • Development of service capabilities and infrastructure (including digital) to improve customer service and support future growth				125%	19%

The Board did not exercise any positive discretion in relation to the non-financial metrics. It did, however, exercise a small negative discretion in relation to the Employee Engagement metric for one KMP. While most members of the Executive Leadership Team (ELT), including the CEO & President, had a specific employee engagement element (generally 5% at target), some members of the ELT, including this KMP, did not. The engagement outcome was below threshold and the Board considered it appropriate for STI outcomes across the ELT to reflect this result consistently. Accordingly, a 5% reduction was applied to the STI outcomes of executives whose scorecards did not include the engagement element.

There were no values rating modifications applied to the CEO&P or Executive KMP in FY26.

Remuneration report continued

5 Company performance and remuneration outcomes continued

5.2 FY26 STI outcomes continued

The total STI award value and payout for the CEO&P and each Executive KMP for the completed period is summarised below.

Executive KMP	Target STI (100%) $	Maximum STI (150%) $	Group financial metrics outcome %	Non-financial metrics outcome	STI achievement[1] %	STI achievement[1] $	Cash $	SRs $	Forfeited[2] %
Michael Kavanagh CEO&P	567,419	851,129	38.9	31.3	70.11	397,838	198,919	198,919	29.89
Rod Lopez COO	265,335	398,003	38.9	36.3	75.11	199,303	99,651	99,651	24.89
Jason Burriss CFO	296,264	444,396	38.9	30.0	68.86	204,018	102,009	102,009	31.14

1. STI achievement includes values rating modifier, where applicable.
2. % forfeited is the difference between target STI opportunity and the STI achieved.

5.3 2022 LTI outcomes (granted in FY23)

The 2022 LTI grant, made in FY23, was subject to two financial conditions: Index Total Shareholder Return (iTSR), which applied to 33.3% of the award delivered in Share Appreciation Rights (SARs), and an underlying Return on Equity (uROE), which applied to 66.67% of the award delivered in Performance Rights (PRs).

The iTSR was subject to a positive TSR gate. As the gate was not met, the iTSR component did not vest, resulting in nil vesting of SARs.

For the uROE component, performance of 29.5% exceeded the target of 28.0%, resulting in vesting between target and stretch for this component. This resulted in 75% of the PRs vesting and an overall LTI outcome equal to 50.0% of the maximum LTI opportunity (vested at target).

5 Company performance and remuneration outcomes continued

5.4 LTI grants on foot and outcomes in FY26

The table below summarises the LTI grants on foot during FY26, including the applicable performance measures, performance periods, vesting conditions and, where relevant, performance and vesting outcomes determined during the year.

	2022 LTI		2023 LTI		2024 LTI		FY26 LTI	
Equity Instrument	PRs	SARs	PRs	PRs	PRs	PRs	PRs	PRs
Percentage of Grant	66.67%	33.33%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Performance Measure	uROE	iTSR	PBT CAGR	rTSR	PBT CAGR	rTSR	EPS CAGR	rTSR
Gate Measure	N/A	Positive TSR	N/A	Positive SR	N/A	Positive TSR	N/A	Positive SR
Performance Period	01 Jul 22–30 Jun 25	FY22–25 Release of Results	01 Jul 23–30 Jun 26	FY23–26 Release of Results	01 Jul 24–30 Jun 27	FY24–27 Release of Results	01 Jul 25–30 Jun 28	FY25–28 Release of Results
Grant Date (CEO&P)	18 Nov 22	18 Nov 22	3 Nov 23	3 Nov 23	12 Nov 24	12 Nov 24	5 Nov 25	5 Nov 25
Grant Date (Other Executive KMP)	6 Dec 22	6 Dec 22	4 Dec 23	4 Dec 23	2 Dec 24	2 Dec 24	2 Dec 25	2 Dec 25
Vesting Date	30 Sep 25	30 Sep 25	30 Sep 26	30 Sep 26	30 Sep 27	30 Sep 27	30 Sep 28	30 Sep 28
Expiry Date	30 Sep 29	30 Sep 29	3 Nov 33	3 Nov 33	30 Sep 34	30 Sep 34	30 Sep 35	30 Sep 35
Exercise Price	Nil	$4.143	Nil	Nil	Nil	Nil	Nil	Nil
Gate Passed	N/A	No	N/A	TBD	N/A	TBD	N/A	TBD
Threshold (25% vesting)	25%	Index TSR%	11%	<50th percentile	10%	<50th percentile	9%	<50th percentile
Target (50% vesting)	28%	Index TSR% + 3.0% TSR CAGR	14%	50th percentile	13%	50th percentile	12%	50th percentile
Maximum (100% vesting)	31%	Index TSR% + 6.0% TSR CAGR	>17%	75th percentile	>16%	75th percentile	≥15%	75th percentile
Performance Outcome	29.5% [1]	0.0% [2]	TBD [3]	TBD [3]				

Vesting Outcome as a percentage of Target				
By Tranche	150.0% [1]	0.0% [2]	TBD [3]	TBD [3]
Total	**50.0%**		TBD [3]	

1. For the 2022 LTI, the uROE performance condition was assessed following the finalisation of the FY25 financial results. Performance of 29.5% resulted in vesting at 150% of target for this tranche, with the vesting occurring on 30 September 2025.
2. For the 2022 LTI, the positive TSR gate applicable to the iTSR tranche was not satisfied and, accordingly, none of the associated SARs vested.
3. Performance against the relevant performance condition has not yet been assessed as the performance period remains ongoing.

Details of grants made prior to FY26, including the maximum and minimum potential values of those grants, are provided in Nanosonics' previous remuneration reports, available on the Company's website.

Remuneration report continued

5 Company performance and remuneration outcomes continued

5.5 Executive KMP remuneration received during the period

The amounts in this table are different to the statutory disclosures in section 7.1, which are prepared in accordance with the accounting standards and therefore include the accounting value for all unvested deferred STI and LTI awards expensed in the year. The table below is provided voluntarily and represents the value to the Executive KMP of cash paid and vested equity awards (vested value) received during the year.

Name	Year	TFR [1] $	Cash STI [2] $	STI SRs vested [3] $	LTI PRs vested [4] $	LTI SARs vested [5] $	Actual remuneration received $	(Loss)/gain on vested rights from change in share value during vesting period [6] $
Michael Kavanagh	2026	1,023,096	248,848	76,443	720,617	—	2,069,004	35,125
CEO&P	2025	934,937	76,440	187,362	453,044	—	1,651,783	(253,170)
Rod Lopez	2026	584,772	102,467	38,588	208,525	—	934,352	14,846
COO	2025	506,761	38,585	86,540	132,228	—	764,114	(81,554)
Jason Burriss	2026	641,874	125,296	35,978	—	—	803,148	10,229
CFO	2025	570,824	35,977	—	—	—	606,801	—
Total	**2026**	**2,249,742**	**476,611**	**151,009**	**929,142**	**—**	**3,806,504**	**60,200**
	2025	**2,012,522**	**151,002**	**273,902**	**585,272**	**—**	**3,022,698**	**(334,724)**

1. Includes base salary, superannuation and other cash and non-monetary benefits received during the year (excludes annual leave and long service leave accrual).
2. STI received as cash in respect of the previous financial year.
3. STI SRs vested in FY26 was from the FY24 STI award. Value vested represents the STI allocation value (STI award value) for the relevant award year.
4. LTI PRs vested in FY26 includes the 2022 LTI award. Value vested represents the PRs allocation value for the relevant award year at the beginning of the measurement period to determine the number of rights to be awarded.
5. LTI SARs (and/or options) relating to the 2022 LTI award did not vest in FY26. The 2021 award did not vest in FY25. Value vested represents the SARs allocation value for the relevant award year (LTI award value) i.e. Monte Carlo valuation used at the beginning of the measurement period to determine the number of rights and options to be awarded multiplied by the number of rights and options that vested/forfeited following the end of the measurement period.
6. This is the difference between the equity vested value and the equity award value. The estimated realisable value is determined by multiplying the market share price at the time of vesting less any exercise price (for options) and the number of vested performance rights/options. Actual realised value at the point of exercise and sale of shares may vary.

6 Non-Executive Director remuneration

6.1 Principles

The principles that Nanosonics applies in governing Non-Executive Director (NED) remuneration are set out below.

Principle	Comment
Fees are set by reference to key considerations	Fees for Non-Executive Directors are determined having regard to the nature of the Directors' responsibilities, the complexity of the Company's operations, and the skills and experience required to effectively discharge their duties. NED fees are reviewed periodically with reference to market practice and independent benchmarking to ensure the fee structure remains appropriate for a company of Nanosonics' size, complexity and operating environment. During FY26, an independent benchmarking review of NED fees was undertaken by Guerdon Associates. The review considered ASX-listed companies broadly comparable to Nanosonics by reference to financial metrics, industry and operational complexity. Following the review, the Board approved increases to the Board Chair and Non-Executive Director fees for FY27, together with modest increases to Committee Member fees. Committee Chair fees remain unchanged. The FY27 fees are set out in section 6.2 below. The last review was undertaken in FY23, with changes implemented from 1 January 2024. Non-Executive Directors' fees are recommended by the PCSR Committee and determined by the Board. Shareholders approve the aggregate amount available for the remuneration of Non-Executive Directors.
Remuneration is structured to preserve independence whilst creating alignment	To preserve independence and impartiality, NEDs do not participate in any variable remuneration arrangements and their fees are not linked to the Company's performance. Alignment with shareholders is supported through the Company's minimum shareholding requirements for Non-Executive Directors.
Aggregate Board fees are approved by shareholders	The total amount of fees paid to NEDs in FY26 is within the shareholder approved aggregate fee pool of $1,200,000 per annum. The FY27 fee structure, including the approved increases to the Board Chair, Non-Executive Director and Committee Member fees, remains within the shareholder-approved aggregate fee pool.

6.2 Remuneration elements

The remuneration arrangements for Non-Executive Directors comprise Board and Committee fees, inclusive of statutory superannuation, together with reimbursement of reasonable business-related expenses.

Remuneration element	Details		
Board fees for FY26	**Position**	**Board Fee**	**Committee Fee [2]**
	Chair	$270,000 [1]	$25,000
	Non-Executive Director	$120,000	$12,500
Board fees for FY27	**Position**	**Board Fee**	**Committee Fee [2]**
	Chair	$300,000 [1]	$25,000
	Non-Executive Director	$134,000	$15,000
Superannuation	Superannuation contributions are included within the Board fees set out above. For FY26, contributions were made at the applicable statutory rate, subject to Government's prescribed contribution limits. Directors who receive superannuation contributions through another employer may elect not to receive contributions from the Company where permitted by law.		
Equity instruments	NEDs do not receive any performance-related remuneration, options or performance rights.		
Other fees/benefits	NEDs are reimbursed for reasonable out-of-pocket expenses incurred in connection with Nanosonics' business.		

1. The Board Chair does not receive separate Committee fees.
2. No Committee fees are payable in relation to the Nomination Committee.

Remuneration report continued

7 Statutory tables and disclosures

7.1 Executive KMP statutory remuneration for FY26

The following table outlines the statutory (A-IFRS) remuneration of Executive KMP.

		Short-Term	Long-Term	Post-employment	TFR		Variable remuneration						Termination benefits		
							Cash STI[4]		Deferred STI equity compensation[5]		LTI equity compensation[5]				Total remuneration
Name	Year	Salary and benefits[1] $	Other benefits[2] $	Superannuation[3] $	$	% of TR	$	% of TR	$	% of TR	$	% of TR	$	% of TR	$
Michael Kavanagh	2026	943,789	100,430	30,000	1,074,219	47%	198,919	9%	217,620	10%	772,510	34%	—	—	2,263,268
CEO&P	2025	867,664	93,246	29,932	990,842	40%	248,848	10%	144,871	6%	1,065,567	44%	—	—	2,450,128
Rod Lopez	2026	506,630	59,384	30,000	596,014	59%	99,651	10%	91,791	9%	231,009	23%	—	—	1,018,465
COO	2025	449,320	53,056	29,932	532,308	52%	102,467	10%	65,058	6%	320,137	31%	—	—	1,019,970
Jason Burriss	2026	570,100	47,070	30,000	647,170	58%	102,009	9%	102,616	9%	270,532	24%	—	—	1,122,327
CFO	2025	506,636	44,860	29,932	581,428	65%	125,296	14%	69,786	8%	115,223	13%	—	—	891,733
Total	**2026**	**2,020,519**	**206,884**	**90,000**	**2,317,403**	**53%**	**400,579**	**9%**	**412,027**	**9%**	**1,274,051**	**29%**	**—**	**—**	**4,405,060**
	2025	**1,823,620**	**191,162**	**89,796**	**2,104,578**	**48%**	**476,611**	**11%**	**279,715**	**6%**	**1,500,927**	**34%**	**—**	**—**	**4,361,831**

1. Comprising base salary and non-monetary benefits (includes FBT benefits of $16.3k (2025: $22.4k) for the CEO & President).
2. Comprising annual leave and long service leave entitlements.
3. The only post-employment benefits are superannuation.
4. Cash STI is for the performance during the respective financial year. The amounts represent the Cash STI opportunity accrued related to the financial year based on the achievement of the Company's Group metrics and Individual metrics.
5. The amount disclosed is the amount of the fair value of the rights and options recognised as an expense in each reporting period. The ability to exercise the rights and options is subject to vesting conditions.

7 Statutory tables and disclosures continued

7.2 Non-Executive Director remuneration for FY26

The following table outlines the statutory (A-IFRS) remuneration of NEDs:

Name	Year	Board Fees $	Committee Fees $	Super-annuation $	Total $
Current					
Steven Sargent	2026	241,071	—	28,929	270,000
	2025	242,152	—	27,848	270,000
Marie McDonald	2026	120,000	37,500	—	157,500
	2025	120,000	37,500	—	157,500
Tracey Batten[1]	2026	128,575	22,321	18,108	169,004
	2025	125,517	26,149	17,442	169,108
Larry Marshall	2026	107,143	29,669	16,417	153,229
	2025	107,624	22,421	14,955	145,000
Gerard Dalbosco	2026	120,000	37,500	—	157,500
	2025	52,251	16,329	3,358	71,938
Sarah Butler	2026	48,295	5,031	6,399	59,725
	2025	—	—	—	—
Former					
Lisa McIntyre	2026	37,054	11,579	5,836	54,469
	2025	107,624	37,013	16,633	161,270
Total	**2026**	**802,138**	**143,600**	**75,689**	**1,021,427**
	2025	**755,168**	**139,412**	**80,236**	**974,816**

1. Director is also paid a travel allowance of $21,432 as part of their remuneration.

Remuneration report continued

7 Statutory tables and disclosures continued

7.3 KMP equity movements

Movements in equity interests held during the financial year by KMP, including their personally related parties, are set out below.

		Number held at open 2026	Granted FY26		Forfeited during FY26[1]	Vested during FY26[2]	FY26 exercised (or shares received from exercising)[3]	FY26 Restriction end	FY26 sold	Number held at close 2026
Name	Instrument	Number	Date granted	Number	Number	Number	Number	Number	Number	Number
Michael Kavanagh	Unrestricted Shares	1,256,723					176,065		—	1,432,788
	Restricted Rights	110,434				195,850	—	(110,434)		195,850
	Vested Rights	65,631					(176,065)	110,434		—
	Unvested Rights	1,109,845	05 Nov 25	464,417	(57,978)	(195,850)				1,320,434
	Vested Options	—					—			—
	Unvested SARs	283,930		—	(283,930)					—
Rod Lopez	Unrestricted Shares	51,152					10,392			61,544
	Restricted Rights	39,722				61,394		(39,722)	—	61,394
	Vested Rights	41,140					(10,392)	39,722		70,470
	Unvested Rights	333,057	02 Dec 25 14 Nov 25	126,314 24,390	(16,777)	(61,394)				405,590
	Vested Options	—				—	—			—
	Unvested SARs	82,161			(82,161)	—				—
Jason Burriss	Unrestricted Shares	31,000								31,000
	Restricted Rights	—				10,314	—		—	10,314
	Vested Rights	—					—			—
	Unvested Rights	303,276	02 Dec 25 14 Nov 25	141,038 29,824	—	(10,314)				463,824
	Vested Options	—				—				—
	Unvested SARs	—		—	—	—				—
Totals		**3,708,071**	**N/A**	**785,983**	**(440,846)**	**—**	**—**	**—**	**—**	**4,053,208**

1. The rights forfeited for Michael Kavanagh and Rod Lopez relate to the 2022 LTI granted in FY23 which did not fully vest.
2. For more information on the tranches of SRs, PRs and SARs that vested in FY26 please refer to section 5.5.
3. The value of shares exercised by Michael Kavanagh relate to the 2023 STI rights & 2021 LTI rights and the 2020 LTI rights were exercised at a market price of $4.23 and $4.14. For Rod Lopez, the value of shares exercised relate to the 2021 LTI rights were exercised at a market price of $3.18.

Other than as disclosed above, there were no other equity transactions including purchase or sales of shares by KMP during the year.

The following outlines changes in Non-Executive Director equity interests during FY26:

Name	Instrument	Held at open Number	FY26 purchased/ other Number	FY26 sold Number	Held at close Number	% of holding policy met[1] Percent
Steven Sargent	Shares	159,860	—	—	159,860	100%
Marie McDonald	Shares	50,106	—	—	50,106	100%
Tracey Batten[2]	Shares	30,000	—	—	30,000	N/A
Larry Marshall[2]	Shares	45,000	—	—	45,000	N/A
Gerard Dalbosco[2]	Shares	27,442	12,558	—	40,000	N/A
Sarah Butler[2]	Shares	—	15,000	—	15,000	N/A
Totals		**312,408**	**27,558**	**—**	**339,966**	

1. The % of holding policy met is determined in accordance with the Share Ownership Policy. If shareholding interests equal or exceed the previous year's Board fees, the minimum shareholding requirement is 100% met.
2. Director is still within the five-year accumulation period.

7 Statutory tables and disclosures continued

7.3 KMP equity movements continued

The following outlines potential future costs of equity remuneration granted during FY26 for Executive KMP:

Name	Plan	Grant date	Vesting date	Expiry date	Exercise price $	Fair value $	Total value Awarded[1] $	Total fair value at grant[2] $	Value expensed in FY26 $	Maximum value to be expensed in future years $
Michael Kavanagh	FY26 LTI PRs (EPS CAGR)	5 Nov 25	30 Sep 28	05 Nov 35	—	4.30	851,130	871,146	133,938	301,635
	FY26 LTI PRs (rTSR)	5 Nov 25	30 Sep 28	05 Nov 35	—	2.82	851,130	571,309	175,676	395,633
	FY25 STI SRs	5 Nov 25	31 Aug 26	05 Nov 35	—	4.30	248,850	254,702	120,208	19,642
Rod Lopez	FY26 LTI PRs (EPS CAGR)	02 Dec 25	30 Sep 28	02 Dec 35	—	4.18	265,335	263,996	40,589	91,409
	FY26 LTI PRs (rTSR)	02 Dec 25	30 Sep 28	02 Dec 35	—	2.65	265,335	167,366	51,465	115,901
	FY25 STI SRs	14 Nov 25	31 Aug 26	14 Nov 35	—	4.01	102,467	97,804	42,969	7,542
Jason Burriss	FY26 LTI PRs (EPS CAGR)	02 Dec 25	30 Sep 28	02 Dec 35	—	4.18	296,264	294,769	45,320	102,064
	FY26 LTI PRs (rTSR)	02 Dec 25	30 Sep 28	02 Dec 35	—	2.65	296,264	186,875	57,464	129,412
	FY25 STI SRs	14 Nov 25	31 Aug 26	14 Nov 35	—	4.01	125,297	119,594	52,543	9,223
Totals							**3,302,072**	**2,827,561**	**720,172**	**1,172,461**

1. The total value awarded is calculated in reference to the value of the LTI award (determined as the LTI entitlement rate % multiplied by current year TFR) and the 50% deferred component of the FY25 STI.
2. Total fair value at grant is calculated as the number of equity instruments issued multiplied by the accounting fair value per options or rights at grant date.

7.4 KMP service agreements

7.4.1 Executive KMP

The key terms of employment for each Executive KMP are summarised below. Service agreements do not contain any entitlement to termination benefits beyond those required by law, contractual notice provisions and the treatment of incentive awards in accordance with the terms of the relevant incentive plans.

<table>
<tr><th rowspan="2">Name</th><th rowspan="2">Duration of contract</th><th colspan="2">Period of notice</th><th rowspan="2">Termination payments[1]</th></tr>
<tr><th>By company</th><th>By KMP</th></tr>
<tr><td>Michael Kavanagh</td><td rowspan="3">Ongoing employment until notice is given by either party</td><td>Nine months' written notice.</td><td>Nine months' written notice.</td><td>Termination by Nanosonics: Subject to determination by the Board, unvested LTI awards are forfeited. A pro-rated portion of any STI award may be paid in respect of the period served up to the date of cessation. Any vested but unexercised STI or LTI awards lapse in accordance with the terms of the relevant award.
Termination by KMP: Unvested STI or LTI awards are forfeited. A pro-rated portion of any STI award may be paid in respect of the period served up to the date of cessation. Any vested but unexercised STI or LTI awards lapse in accordance with the terms of the relevant award.</td></tr>
<tr><td>Jason Burriss</td><td>Three months' written notice.</td><td>Three months' written notice.</td><td>Subject to determination by the Board, unvested STI or LTI awards are forfeited on cessation of employment. Any vested, but unexercised STI or LTI awards lapse in accordance with the terms of the relevant award.</td></tr>
<tr><td>Rod Lopez</td><td>Three months' written notice.</td><td>Three months' written notice.</td><td>Subject to determination by the Board, unvested STI or LTI awards are forfeited on cessation of employment. Any vested, but unexercised STI or LTI awards lapse in accordance with the terms of the relevant award.</td></tr>
</table>

1. Any termination benefits are subject to the termination benefit provisions specified in the Corporations Act, unless shareholder approval has been obtained where the benefit exceeds the applicable limit, or another exception permitting the termination benefit applies.

7.4.2 Non-Executive Directors

Upon appointment to the Board, each NED enters into a letter of appointment with the Company setting out the key terms and conditions including duties, responsibilities and remuneration arrangements. NEDs are not entitled to termination benefits on cessation of office.

Remuneration report continued

7 Statutory tables and disclosures continued

7.5 Loans and transactions with KMP

7.5.1 Loans to KMP and their related parties

During the financial year and to the date of this report, the Group did not make any loans to Directors or any KMP, and no loans were outstanding as at 30 June 2026 (2025: Nil).

7.5.2 Other transactions with KMP

During the financial year ended 30 June 2026, there were no transactions between the Group and any KMP, close family member of a KMP, or entity over which a KMP or close family member has direct or indirect control, joint control or significant influence, other than those disclosed in this Remuneration Report.

8 Governance

This section outlines the role of the Board, the PCSR Committee and external advisors in supporting remuneration decisions.

8.1 Role of the Board and the People & Culture, Safety and Remuneration Committee

The Board is responsible for Nanosonics' remuneration strategy and policy. The Board has established the People & Culture, Safety and Remuneration Committee (PCSR Committee), which is chaired by an independent Director and comprises a majority of independent Directors. The members of the PCSR Committee are shown in section 2.

The role and responsibilities of the PCSR Committee are set out in its Charter, which was last reviewed and approved by the Board in September 2024. The PCSR Committee's role and its relationship with the Board, internal resources and external advisors is illustrated below.

The Board

Reviews, applies judgement and, where appropriate, approves recommendations made by the PCSR Committee.

The **People & Culture, Safety and Remuneration** Committee

The PCSR Committee operates under delegated authority from the Board and may access internal resources and obtain independent external as required to support its recommendations to the Board. The PCSR Committee makes recommendations in relation to:

Remuneration policy, composition and quantum of remuneration components for CEO&P and Executive KMP, including STI performance metrics. Remuneration policy for Non-Executive Directors.	Incentive arrangements for CEO&P, Executive KMP and employees, including equity-based remuneration plans, structure, performance measures and vesting conditions.	Inclusion & Belonging (I&B), and work, health and safety (WHS) policies and practices to support the Nanosonics' purpose, culture, values, and behaviours.	Executive leadership appointments, development, and succession planning. Future talent recommendations.

External consultants	Internal resources

Further information on the PCSR Committee's role, responsibilities and membership is contained in the Corporate Governance Statement. The People & Culture, Safety and Remuneration Committee Charter and the Corporate Governance Statement are available in the Corporate Governance section of Nanosonics' website.

8 Governance continued

8.2 Remuneration advisors

As appropriate, the Board and PCSR Committee obtain and consider advice directly from Guerdon Associates, external remuneration advisors, who are independent of management.

The Board adopts practices in accordance with the Corporations Act 2001 to ensure that any advice received from Guerdon Associates is free from undue influence of the KMP about whom the advice may relate.

There were no 'remuneration recommendations', as defined in the Corporations Act 2001, made during the FY26 reporting period.

8.3 Board Discretion, Malus and Clawback policy

The Board, generally on the recommendation of the PCSR Committee, is responsible for determining remuneration outcomes for senior executives[1]. Subject to the terms of the relevant incentive plans, the Board retains discretion to adjust the STI and LTI outcomes where it considers those outcomes do not fairly reflect performance or shareholder experience.

The Company also maintains a Malus and Clawback policy, which provides the Board with discretion to reduce, cancel or recover STI or LTI awards where it becomes aware of circumstances that have resulted in an unfair or inappropriate benefit to an Executive KMP. Such circumstances may include material misstatement of the Group's financial statements, misconduct, or other matters determined by the Board. The Malus and Clawback policy is available in the Corporate Governance section of the Company's website.

Prior to determining variable remuneration outcomes or the vesting of incentive awards, the PCSR Committee receives input from the Audit and Risk Committee regarding risk management (financial and non-financial), conduct, behaviour and compliance with Company policies by Executive KMP during the year. This assists the PCSR Committee in determining whether any adjustments to remuneration outcomes are warranted.

Several members of the PCSR Committee are also members of the Audit and Risk Committee, supporting effective oversight and consideration of risk and compliance matters in remuneration decisions.

Under the STI and LTI Rules, the Board has absolute discretion to determine whether an "unfair or inappropriate benefit" has arisen and, if so, the appropriate remedial action, subject to applicable law and the requirements of the Malus and Clawback Policy. This discretion may be exercised at any time.

The Board is committed to transparency regarding the exercise of its discretion. During FY26, the Board did not apply any upward discretion in relation to the STI or LTI outcomes, malus, clawback or risk or compliance-related adjustments to Executive KMP remuneration outcomes. However, it did exercise a small downward discretion in relation to the STI outcomes for one KMP in connection with engagement scores, as described in Section 5.2.

8.4 Securities Trading Policy

Under the Nanosonics Limited Securities Trading Policy and, in accordance with the Corporations Act, securities granted under Nanosonics' equity variable remuneration schemes must remain at risk until vested, or until exercised, if options or performance rights. No schemes may be entered into by an individual or their associates that specifically protects the unvested value of shares, rights or options.

KMP are not permitted to deal at any time in financial products such as options, warrants, futures or other financial products issued over Nanosonics' securities by third parties such as banks and other institutions without the prior approval of the Board. An exception may apply where the securities form a component of a listed portfolio or index product.

KMP are not permitted to enter into transactions in products associated with the securities which operates to limit the economic risk of their security holding in the Company (e.g. hedging arrangements), without the prior approval of the Board.

Nanosonics, as required under the ASX Listing Rules, has a formal policy setting out how and when employees, including KMPs of Nanosonics Limited, may deal in Nanosonics securities. The Securities Trading Policy is available on Nanosonics' website, under Investor Centre, Corporate Governance.

1. The People & Culture, Safety and Remuneration Committee Charter (September, 2024).

Content of the financial statements

For the year ended 30 June 2026

Auditor's independence declaration

Shape the future
with confidence

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's independence declaration to the directors of Nanosonics Limited

As lead auditor for the audit of the financial report of Nanosonics Limited for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Nanosonics Limited and the entities it controlled during the financial year.

Ernst and Young

Ernst & Young

Clirgo

Vida Virgo
Partner
25 August 2026

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Revenue	2.2	203,893	198,628
Cost of sales		(47,085)	(43,270)
Gross profit		**156,808**	**155,358**
Selling and general expenses		(76,234)	(71,871)
Administration expenses		(33,368)	(32,094)
Research and development expenses		(31,791)	(34,699)
Other income	2.3	1,499	1,273
Other losses - net	2.5	(916)	(159)
Results from operating activities		**15,998**	**17,808**
Finance income - interest		5,795	5,943
Finance expense		(1,681)	(1,464)
Net finance income		**4,114**	**4,479**
Profit before income tax		20,112	22,287
Income tax expense	3.1	(2,277)	(1,611)
Net income after income tax expense attributable to owners of the parent entity		**17,835**	**20,676**
Other comprehensive income			
Items that may be classified subsequently to profit or loss			
Exchange difference on foreign currency translation		3,034	140
Effective portion of changes in fair value of cash flow hedges		2,835	371
Income tax on items of other comprehensive income/(loss)		(850)	(111)
Total other comprehensive income/(loss)		**5,019**	**400**
Total comprehensive income for the year attributable to owners of the parent entity		**22,854**	**21,076**

Earnings per share information:

		Cents	Cents
Basic earnings per share	2.6(a)	5.90	6.82
Diluted earnings per share	2.6(b)	5.77	6.69

The notes on pages 66 to 97 form an integral part of these consolidated financial statements.

Consolidated statement of financial position

As at 30 June 2026

	Notes	2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	6.1	155,222	161,638
Trade and other receivables	6.2	45,693	37,895
Inventories	7.1	27,593	18,632
Derivative financial instruments	6.3	4,243	621
Costs to obtain customer contracts	5.1	677	464
Finance lease receivables	5.2	770	346
Income tax receivable		220	66
Prepayments and other current assets		6,237	5,658
Total current assets		**240,655**	**225,320**
Non-current assets			
Property, plant and equipment	7.2	18,426	17,512
Right-of-use assets	7.3	21,566	6,865
Intangible assets		—	1
Net deferred tax assets	3.2	17,850	18,896
Derivative financial instruments	6.3	1,298	1,823
Costs to obtain customer contracts	5.1	482	595
Finance lease receivables	5.2	1,790	1,323
Other non-current assets		114	147
Total non-current assets		**61,526**	**47,162**
Total assets		**302,181**	**272,482**
Liabilities			
Current liabilities			
Trade and other payables	6.4	13,795	10,628
Lease liabilities	6.5	2,959	3,424
Contract liabilities	5.1	15,129	14,663
Employee benefits liabilities	4.2	10,339	10,062
Provisions	7.4	828	728
Derivative financial instruments	6.3	227	284
Total current liabilities		**43,277**	**39,789**
Non-current liabilities			
Lease liabilities	6.5	20,172	4,262
Contract liabilities	5.1	19,463	17,515
Employees benefits liabilities	4.2	880	705
Provisions	7.4	592	127
Derivative financial instruments	6.3	287	174
Total non-current liabilities		**41,394**	**22,783**
Total liabilities		**84,671**	**62,572**
Net assets		**217,510**	**209,910**
Equity			
Contributed equity	9.1(a)	112,963	114,855
Reserves		28,322	36,665
Retained earnings		76,225	58,390
Total equity		**217,510**	**209,910**

The notes on pages 66 to 97 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 30 June 2026

	Contributed Equity $'000	Reserves: Share-based payments $'000	Reserves: Share Buy-Back Reserve $'000	Reserves: Foreign currency translation $'000	Reserves: Hedging $'000	Total reserves $'000	Retained earnings $'000	Total equity $'000
At 1 July 2024	114,545	33,048	—	(4,091)	986	29,943	37,714	**182,202**
Profit for the period		—	—	—	—	—	20,676	**20,676**
Other comprehensive income/(loss)	—	—	—	140	371	511	—	**511**
Income tax on item of other comprehensive income	—	—	—	—	(111)	(111)	—	**(111)**
Total comprehensive income	**—**	**—**	**—**	**140**	**260**	**400**	**20,676**	**21,076**
Transactions with owners in their capacity as owners								
Issue of shares under employee share plans	310	—	—	—	—	—	—	**310**
Share-based payments	—	5,979	—	—	—	5,979	—	**5,979**
Income tax on share-based payments	—	343	—	—	—	343	—	**343**
At 30 June 2025	**114,855**	**39,370**	**—**	**(3,951)**	**1,246**	**36,665**	**58,390**	**209,910**
At 1 July 2025	114,855	39,370	_	(3,951)	1,246	36,665	58,390	**209,910**
Profit for the period	—	—	—	—	—	—	17,835	**17,835**
Other comprehensive income/(loss)	—	—	—	3,034	2,835	5,869	—	**5,869**
Income tax on item of other comprehensive income	—	—	—	—	(850)	(850)	—	**(850)**
Total comprehensive income	**—**	**—**	**—**	**3,034**	**1,985**	**5,019**	**17,835**	**22,854**
Transactions with owners in their capacity as owners								
Issue of shares under employee share plans	205	—	—	—	—	—	—	**205**
Share Buy-Back	(2,097)	—	(17,903)	—	—	(17,903)	—	**(20,000)**
Share-based payments	—	4,624	—	—	—	4,624	—	**4,624**
Income tax on share-based payments	—	(83)	—	—	—	(83)	—	**(83)**
At 30 June 2026	**112,963**	**43,911**	**(17,903)**	**(917)**	**3,231**	**28,322**	**76,225**	**217,510**

The notes on pages 66 to 97 form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST/VAT)		206,793	209,072
Receipts of government grant		—	2,773
Payments to suppliers and employees (inclusive of GST/VAT)		(188,698)	(170,979)
Interest received		5,839	5,706
Income taxes paid		(1,384)	(2,589)
Net cash provided by operating activities	6.1(ii)	**22,550**	**43,983**
Cash flows from investing activities			
Purchase of property, plant and equipment		(5,136)	(8,723)
Proceeds from disposal of property, plant and equipment		—	16
Net cash used in investing activities		**(5,136)**	**(8,707)**
Cash flows from financing activities			
Repurchase of common stock		(20,000)	—
Repayment of lease liabilities		(3,111)	(3,246)
Interest paid on lease liabilities		(622)	(366)
Proceeds from exercise of options		205	310
Net cash used in financing activities		**(23,528)**	**(3,302)**
Net increase in cash and cash equivalents		(6,114)	31,974
Cash and cash equivalents at the beginning of the financial year		161,638	129,552
Effect of exchange rate changes on cash and cash equivalents		(302)	112
Cash and cash equivalents at the end of the financial year	6.1(i)	**155,222**	**161,638**

The notes on pages 66 to 97 form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

For the year ended 30 June 2026

1 General accounting policies

This section sets out the Group's accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates.

1.1 Reporting entity

Nanosonics Limited (the Company or Parent Entity) is a listed public company, limited by shares, incorporated and domiciled in Australia. The consolidated financial statements of the Company, as at and for the year ended 30 June 2026, comprise the Company and its subsidiaries (together referred to as Nanosonics, the Group or the Consolidated Entity).

Nanosonics Limited is a for-profit entity for the purpose of preparing the financial statements. A description of the nature of the Group's operations and its principal activities is included in the Financial and operational review on pages 8 to 15 of this Annual Report and in the Directors' report on pages 30 to 35.

1.2 Basis of preparation

a) Statement of compliance

The Financial Report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The Board of Directors approved the consolidated financial statements on 25 August 2026.

b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for financial assets and financial liabilities, including derivative instruments which are measured at fair value.

c) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the financial statements from the date the control commences until the date that control ceases. Information on subsidiaries is contained in Note 10.3 to the financial statements.

Transactions eliminated on consolidation

In preparing the consolidated financial statements, all intercompany balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated in full.

d) Functional and presentation currency

The consolidated financial statements are presented in Australian dollars, which is Nanosonics Limited's functional and presentation currency.

e) Foreign currency

Transactions and balances

Foreign currency transactions are translated into the respective functional currencies of the entities using the exchange rates that approximate the actual exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the consolidated statement of profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges, or are attributable to part of the net investment in a foreign operation. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities are recognised in the profit and loss statement as part of the fair value gain or loss.

1 General accounting policies continued

1.2 Basis of preparation continued

Financial statements of foreign operations

The results and financial position of foreign operations are translated into the Company's functional and presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each profit and loss statement are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income – foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income.

When a foreign operation is sold, or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences is reclassified to profit or loss, as part of the gain or loss on sale, where applicable.

f) Use of judgements and estimates

The preparation of financial statements in conformity with AASB and IFRS requires management to exercise judgement and make estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of certain assets and liabilities are included in the following notes:

- Note 3.2: Deferred taxes
- Note 4.3: Share-based payments
- Note 5.1: Contract balances
- Note 7.1: Inventories

g) Goods and services tax (GST), Value added tax (VAT)

Revenues, expenses and assets are recognised net of the amount of associated GST or VAT as applicable, unless the GST/VAT incurred is not recoverable from the taxation authority, in which case the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST/VAT receivable or payable. The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included with other current receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST/VAT components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

h) Rounding

The Company is an entity to which ASIC Instrument 2026/183 issued in 2026, and in accordance with that Instrument, all financial information presented in Australian dollars has been rounded to the nearest one thousand dollars ($'000), unless otherwise stated.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

2 Performance for the year

2.1 Revenue from customer contracts

AASB 15 establishes a five-step model to account for revenue arising from contracts with customers. Under AASB 15, entities are required to exercise judgement in developing revenue recognition policies, taking into consideration all the relevant facts and circumstances when applying each step of the model.

Revenue from contracts with customers is recognised when the control of goods and services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services.

Sale of goods

The Group's sales of goods consist of the sale of capital equipment which includes the sale of trophon and related accessories, and the sale of consumables and spare parts. Revenue is recognised at a point in time when the Group has delivered goods to its customers, and it is probable that consideration will be collected in exchange. Revenue is measured on the consideration expected to be received, net of trade rebates and discounts paid. If the contract includes variable consideration, the variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with volume rebates which give rise to variable consideration.

The Group provides retrospective volume rebates to certain customers once certain contracted thresholds have been achieved. Rebates are offset against amounts receivable from the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with multi-tiered thresholds. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

Rental revenue

Rental revenue is recognised over time on a straight-line basis for the term of the contract. Rental revenue is included in capital revenue.

Service

The Group's sale of services is recognised using a proportionate fair value method based on relative standalone selling prices. Service contracts have separately identifiable performance obligations that are either provided at a point in time or over time. Revenue from the sale of services is recognised when the distinct performance obligation is fulfilled or over the time period to which that performance obligation relates has elapsed.

Financing component

The timing between upfront consideration received and the fulfilment of services gives rise to a financing component. Using the practical expedient in AASB 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. Some customers purchase service contracts up-front or enter into multi-period service contracts resulting in the Group holding the payment greater than 12 months in advance of revenue recognition. The transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

Foreign exchange

The accounting policy for foreign exchange gains arising from hedges of forecast sales transactions is set out in Note 6.3.

2 Performance for the year continued

2.2 Segment information

Operating segment

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer & President (the chief operating decision maker) in assessing performance and in determining the allocation of resources. The Group operates in a single operating segment, being the healthcare equipment segment. Accordingly, the Group's consolidated total assets are the total reportable assets of the operating segment.

Types of products and services

The principal products and services of the healthcare equipment segment are the manufacture and commercialisation of infection control and decontamination products and related technologies.

Major customers

The Group did not have any customers which accounted for more than 10% of operating revenue for the year (30 June 2025: none).

Geographical information

Geographically, the Group operates globally. Australia is the home country of the parent entity. Revenues are allocated based on the country in which the customer is located. Revenue from external customers by geographical location is detailed below.

	North America $'000	Europe and Middle East $'000	Asia Pacific $'000	Total $'000
For the year ended 30 June 2026				
Capital revenue before hedging	52,100	1,465	890	54,455
Foreign exchange gain on hedged sales	192	—	—	192
Total capital revenue	**52,292**	**1,465**	**890**	**54,647**
Consumables and spare parts	104,482	8,621	2,476	115,579
Service	29,434	2,232	1,766	33,432
Foreign exchange gain on hedged sales	235	—	—	235
Total consumables and service revenue[1]	**134,151**	**10,853**	**4,242**	**149,246**
Total revenue	**186,443**	**12,318**	**5,132**	**203,893**
At a point in time	178,562	11,626	4,415	194,603
Over time	7,881	692	717	9,290
For the year ended 30 June 2025				
Capital revenue before hedging	49,463	2,041	1,098	52,602
Foreign exchange loss on hedged sales	(94)	—	—	(94)
Total capital revenue	**49,369**	**2,041**	**1,098**	**52,508**
Consumables and spare parts	105,494	8,397	3,068	116,959
Service	25,715	1,818	1,835	29,368
Foreign exchange loss on hedged sales	(207)	—	—	(207)
Total consumables and service revenue	**131,002**	**10,215**	**4,903**	**146,120**
Total revenue	**180,371**	**12,256**	**6,001**	**198,628**
At a point in time	173,258	11,834	5,455	190,547
Over time	7,113	422	546	8,081

1. Annuity Revenue is referred to in the Remuneration Report in the context of the FY26 STI changes is defined as consumables and service (excluding spare parts). Spare parts revenue was approximately 5% of consumables and service revenue in FY26.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

2 Performance for the year continued

2.2 Segment information continued

For the purpose of this note, non-current assets consist of property, plant and equipment, intangible assets and other non-current assets, excluding net deferred tax asset and derivative financial instruments. Assets and capital expenditure are allocated based on where the assets are located.

The analysis of non-current assets is detailed below:

	2026 $'000	2025 $'000
North America	8,873	8,143
Europe and Middle East	3,021	3,404
Asia Pacific	30,484	14,896
Total	**42,378**	**26,443**

2.3 Other income

The Company entered into an agreement with Investment New South Wales under the NSW Jobs Plus Program (the Program), effective July 2021. Under the Program, the Company committed to create new jobs in NSW between 2 July 2021 and 30 June 2024. Upon achieving the agreed milestones, Nanosonics has received milestone payments to support creating new jobs, which include payroll tax and training rebates as well as the costs of fitting out new manufacturing and research & development laboratory and office facilities.

As of 30 June 2025, all payments under the Program have been received and the Company has successfully met the agreed milestones. As a result, the Program is effectively closed. The only ongoing benefit associated with the Program is a payroll tax rebate. Grant revenue received under the Program will be recognised systematically up until 2027 as the Company recognises related costs as expenses in line with AASB 120 Accounting for Government Grant. Other income for the period of $1,499,000 (2025: $1,273,000) includes $1,499,000 (2025: $1,267,000) in relation to the Program.

As at 30 June 2026, a contract liability of $697,000 (2025: $1,446,000) is recognised based on expenditure incurred associated with the Macquarie Park manufacturing and research & development laboratory facilities. As the infrastructure rebate relates to a depreciable asset, this will be recognised as income over the periods and in proportions in which depreciation on those assets is charged.

2.4 Individually significant items

The profit from ordinary activities before income tax includes the following expenses:

	2026 $'000	2025 $'000
Depreciation, amortisation and impairment included in:		
Cost of sales	952	898
Sellng and general expenses	4,439	4,017
Administration expenses	629	523
Research and development expenses	2,697	2,631
Total depreciation, amortisation and impairment	**8,717**	**8,069**

2.5 Other (losses)/gains – net

Foreign exchange gains and losses are recognised in accordance with the accounting policy at Note 1.2(e). Gains or losses on derivative financial instruments are recognised in accordance with the accounting policy referred to in Note 6.3.

	2026 $'000	2025 $'000
Realised (loss) on derivative financial instruments	(431)	(329)
Unrealised gain on derivative financial instruments	413	207
Net foreign exchange (loss)	(866)	(25)
Net (loss) on foreign currency	(884)	(147)
(Loss) on disposal of fixed assets	(32)	(12)
Total other (losses) – net	**(916)**	**(159)**

2 Performance for the year continued

2.6 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to equity holders of the Company for the reporting period by the weighted average number of ordinary shares of the Company outstanding during the financial year.

Diluted EPS adjusts the figures used in the determination of Basic EPS to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

	2026 Cents	2025 Cents
(a) Basic earnings per share		
Basic earnings attributable to the ordinary equity holders of the Company	5.90	6.82
(b) Diluted earnings per share		
Diluted earnings attributable to the ordinary equity holders of the Company	5.77	6.69

	2026 $'000	2025 $'000
(c) Net earnings used in calculating earnings per share		
Net earnings after income tax expense attributable to shareholders	17,835	20,676

	2026 Number of shares	2025 Number of shares
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	302,447,888	303,397,829
Adjustments for calculation of diluted earnings per share:		
Performance rights and options	6,421,436	5,750,801
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	308,869,324	309,148,630

2.7 Dividends

No dividends were proposed, declared or paid during the financial year and to the date of this report (2025: Nil).

	2026 $'000	2025 $'000
Franking credit balance		
Franking credits available for future financial periods (30% tax rate)	921	655

The above amount represents the franking account balance at the end of the period adjusted for franking credits that will arise from the payment of the income tax payable at the end of the period.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

3 Income taxes

3.1 Income tax expense

The income tax expense or benefit for the period is the tax payable on, or benefit attributable to, the current period's taxable income, based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses and adjustments in relation to prior periods. Current and any deferred taxes utilised are recognised in the consolidated statement of profit or loss except to the extent that they relate to items recognised directly in other comprehensive income or equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

The major components of income tax expense for the period are:

	2026 $'000	2025 $'000
Consolidated statement of profit or loss		
Current tax		
Current tax expense for the period	(13,762)	(19,296)
Adjustment relating to prior periods	180	(185)
Deferred tax		
Recognition and utilisation of deferred tax assets (net), including origination and reversal of temporary differences	11,370	18,759
Adjustment relating to prior periods	(65)	(889)
Income tax expense reported in the statement of profit or loss	**(2,277)**	**(1,611)**
Tax relating to item in other comprehensive income/(loss)		
Deferred tax expense recognised directly in other comprehensive income/(loss) relating to derivative financial instruments	(1,384)	(111)
Current tax benefit on share-based payments	(35)	(6)
Deferred tax (expense)/benefit on share-based payments	(48)	349
Tax (expense)/benefit charged to equity	**(83)**	**343**

Following an assessment of the operations of the Group for the year ended 30 June 2026, it has been determined that taxable profits will continue to be generated by the Australian entity and its subsidiaries in the US, Canada and the UK, against which tax credits and future deductible temporary differences and partially recognised carried-forward UK tax losses will be utilised.

The net deferred tax assets of the Group as at 30 June 2026 amounted to $17,850,000 (2025: $18,896,000) as detailed in Note 3.2.

The reconciliation of profit before tax to income tax expense is as follows:

	2026 $'000	2025 $'000
Operating profit before tax from continuing operations	20,112	22,287
The prima facie income tax expense applicable to the operating profit is calculated at the Australian tax rate of 30% (2025: 30%)	(6,034)	(6,686)
Increase in income tax expense due to:		
Non-deductible expenses	233	(1,005)
Research & development	(8,217)	(9,417)
Other deductible expenses	91	538
Net derecognition of deferred tax assets in foreign jurisdictions	(1,567)	(1,014)
Decrease in income tax expense due to:		
Recognition of research & development tax credits in Australia	12,578	14,406
Effect of foreign exchange and tax rate in foreign jurisdictions	754	493
Adjustment relating to prior period	(115)	1,074
Income tax expense	**(2,277)**	**(1,611)**

3 Income taxes continued

3.2 Deferred taxes

Deferred income tax is calculated, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised for deductible temporary differences and unused tax losses and tax credits only if it is probable that future taxable amounts will be available to utilise these temporary difference, losses and credits, and on the assumption that no adverse change will occur in income tax legislation enabling the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Research and development tax incentives are estimated based on the apportionment of payroll expenses and other related research and development expenses incurred for eligible research and development activities.

Management judgement is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. These are reviewed at each reporting date.

Deferred tax asset and liabilities, if recognised, are classified as non-current assets and liabilities.

As at 30 June 2026, the net deferred tax asset recognised in the statement of financial position comprises:

	2026 $'000	2025 $'000
Deferred tax assets		
Contract liabilities	7,577	7,526
Lease Liability	6,374	1,667
Share-based payments	2,860	2,695
Employee benefits liabilities	2,763	2,472
Future intercompany deductible expenses	2,061	4,369
Unrealised Foreign exchange losses	1,199	—
Patent costs	1,064	1,022
Non-refundable R&D tax credits	867	—
Capital allowances in foreign subsidiary tax jurisdiction	412	510
Provisions for warranties	222	267
Accrued interest and other income	186	434
Accrued expenses	177	504
Inventory provision	175	202
Others	173	158
Tax losses in foreign subsidiary tax jurisdictions	77	475
Total deferred tax assets	**26,187**	**22,301**
Deferred tax liabilities		
Property, plant and equipment	(689)	(735)
Right-of-use asset	(5,887)	(1,439)
Derivative financial instruments	(1,503)	(596)
Others	(258)	(180)
Unrealised foreign exchange gains	—	(455)
Total deferred tax liabilities	**(8,337)**	**(3,405)**
Net deferred tax assets	**17,850**	**18,896**

The Group offsets tax assets and liabilities only if it has legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority and incurred by the same legal entity.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

3 Income taxes continued

3.2 Deferred taxes continued

As at 30 June 2026, the Group has unrecognised deferred tax assets in relation to its subsidiaries as follows:

	2026 $'000	2025 $'000
Estimated unrecognised tax losses carried forward:		
Unrecognised tax losses brought forward at the beginning of the period	11,504	8,874
Adjustment in respect of unrecognised tax losses carried forward relating to prior periods	(1,801)	1,540
Tax losses for the period related to non-Australian entities	2,719	2,622
Recognition of deferred tax assets on foreign tax losses	—	(1,532)
Estimated unrecognised tax losses carried forward at the end of the period	**12,422**	**11,504**
Potential tax benefit at 34.57% effective tax rate (2025: 33.78%)	**4,294**	**3,886**

The probability of recovery of unrecognised tax losses in relation to the subsidiaries is reviewed periodically.

4 Employee benefits

4.1 Staffing costs

Staffing costs included in the profit and loss statement consist of:

	2026 $'000	2025 $'000
Salaries and wages	66,042	63,277
Superannuation, pension and social security contribution	8,692	7,951
Bonuses and commissions	11,965	11,407
Leave benefits	6,491	5,317
Share-based payments	4,624	5,979
Payroll tax	2,783	2,543
Insurance premiums	2,926	2,854
Workers compensation costs	963	570
Termination benefits	1,093	518
Other employee benefits and staffing costs	4,603	4,669
Total staffing costs	**110,182**	**105,085**
The above staffing costs are included in the consolidated statement of profit or loss and other comprehensive income as follows:		
Cost of sales	10,293	7,591
Selling and general expenses	55,200	55,673
Administration expenses	21,335	20,194
Research & development expenses	23,354	21,627
Total staffing costs	**110,182**	**105,085**

4 Employee benefits continued

4.2 Employee benefits liabilities

i) Wages, salaries and annual leave

Liabilities for employee benefits, including wages, salaries and non-monetary benefits, and accumulated annual and other leave, represent present obligations resulting from employees' services provided to the reporting date. Employee benefits have been measured at the amounts expected to be paid when the liabilities are settled and are recognised in the provision for employee benefits. The liability is calculated on remuneration rates as at the reporting date, including related on-costs such as workers compensation insurance and payroll tax.

ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields on corporate bonds at the reporting date with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The current portion of this liability includes the unconditional entitlements to long service leave where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances.

iii) Bonuses

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged and where there is a past practice that has created a constructive obligation.

iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement or end-of-employment contract date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Short-term and long-term classification of benefits

Benefits that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service are classified as short-term employee benefits. Short-term employee benefits are accounted for on an undiscounted basis in the period in which the service is rendered. Long-term employee benefits are benefits that are not expected to be wholly settled within 12 months and are discounted, allowing for expected salary levels in the future period. Cash bonuses and annual leave are classified as short-term employee benefits, while long service leave is classified as a long-term employee benefit.

Employee benefits liabilities as at the reporting date:

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Provision for annual leave	4,340	—	4,340	4,244	—	4,244
Provision for long service leave	947	880	1,827	786	705	1,491
Provision for bonuses	5,052	—	5,052	5,032	—	5,032
Total employee benefits liabilities	**10,339**	**880**	**11,219**	**10,062**	**705**	**10,767**

4.3 Share-based payments

Share-based compensation benefits are equity-settled transactions provided to employees via the Nanosonics share-based compensation plans.

i) Share-based compensation plans

Nanosonics Equity Plan

On 1 October 2022, amendments to the Corporations Act 2001 (Cth) came into effect, simplifying the process for offering securities to employees under an employee share scheme (ESS). Division 1A was introduced into Part 7.12 of the Corporations Act, providing a new regime for the making of offers in connection with an ESS (New Regime). This regime replaced the relief afforded by ASIC Class Order 14/1000 (Class Order), which commenced on 30 October 2014 and was terminated in respect of new offers from 1 March 2023. To ensure the Company is afforded the relief provided by the New Regime when offering securities to employees, the Company considers it prudent to phase out its existing Omnibus Plan (which was adopted in 2016) and replace it with a new Nanosonics Equity Plan (NEP). The NEP includes the new terms and conditions required by the New Regime, but is otherwise materially similar to the Omnibus Plan. The NEP was adopted and last approved by shareholders in November 2023.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

4 Employee benefits continued

4.3 Share-based payments continued

Nanosonics Omnibus Equity Plan

The Nanosonics Omnibus Equity Plan (NOEP) was adopted in November 2016 and was last approved by shareholders in November 2022. The NOEP allowed the Board to issue a range of incentive awards with the purpose of providing competitive, performance-based remuneration in alignment with the interests of shareholders. The NOEP operated in accordance with the terms of the Nanosonics Omnibus Equity Plan Trust Deed, under which the trustee would subscribe for, or acquire, deliver, allocate or hold, shares for the benefit of the participants. Participants were able to access the relevant taxation concessions available under the Income Tax Assessment Act 1997 (ITAA 1997).

Under the NOEP, eligible employees (including Executive Directors, casual employees and certain contractors) were offered shares in Nanosonics Limited (Exempt Share Awards and Salary Sacrifice Share Awards), Performance Share Awards, options or rights.

The NOEP is now closed.

Global Employee Share Plan

The Global Employee Share Plan (GESP) was adopted in November 2019 and was last approved by shareholders in November 2025. The GESP allows the Board to make offers to its employees, regardless of where they are located in the world, to encourage alignment between the Company's employees with the interests of shareholders. In particular, offers can be made to foreign employees in a manner that accommodates foreign legal and taxation requirements.

Under the GESP, eligible employees (full-time or part-time employees of a subsidiary of Nanosonics) may be offered the opportunity to acquire shares.

Under the GESP, regular contributions are made from a GESP participant's after-tax salary, which are then held in trust. At present, each GESP participant's gross contributions are limited to the lesser of 15% of the participant's annual gross remuneration or A$25,000 each year. At the end of each six-month Offer Period, the contributions are used to subscribe for new shares for the GESP participant. The subscription price is determined by the Board but must not be less than 85% of the lower of the prevailing share price at the beginning and the end of the relevant Offer Period.

During the year, a total of 68,014 (2025: 121,100) shares were acquired by GESP participants at an average price of $3.01 (2025: $2.56) per share.

ii) Exercise of rights and options

Rights and options are granted under the NEP for no consideration and carry no dividend or voting rights. When exercisable, each performance right and option is convertible into one ordinary share that ranks equally with any other share on issue in respect of dividends and voting rights. The exercise prices of all rights and options issued to the date of this report were fixed on the dates the rights and options were granted and are set out in the table in subsection (iv) below.

Rights and options granted under the NEP require the holder to be an employee of the Company at the time the rights and options are exercised, except that they may be exercised, if vested, up to 30 days after voluntary termination of employment. The Nanosonics Board has power to administer the plan and may exercise its discretion on any matter permitted by the plan.

iii) Reconciliation of outstanding rights and options

The number and weighted average exercise price (WAEP) of rights and options under the share option plans were as follows:

	NOEP				NEP				All plans	
	2026		2025		2026		2025		2026	2025
	Numbers of options and rights	WAEP $	Numbers of options and rights	WAEP $	Number of performance rights and options	WAEP $	Number of performance rights and options	WAEP $	Number of options and rights	Number of options and rights
Unexpired as at 1 July	2,735,114	1.67	4,941,936	2.46	4,049,680	—	1,599,360	—	6,784,794	6,541,296
Granted during the year	—	—	—	—	2,535,873	—	2,488,062	—	2,535,873	2,488,062
Exercised during the year	(660,652)	—	(513,794)	0.14	(96,194)	—	—	—	(756,846)	(513,794)
Forfeited during the year	(1,338,864)	3.40	(1,693,028)	4.45	(783,849)	—	(37,742)	—	(2,122,713)	(1,730,770)
Unexpired as at 30 June	**735,598**	**—**	**2,735,114**	**1.67**	**5,705,510**	**—**	**4,049,680**	**—**	**6,441,108**	**6,784,794**
Exercisable at 30 June	**264,179**	**—**	**578,900**	**—**	**—**	**—**	**—**	**—**	**264,179**	**578,900**

There were 660,652 (2025: 513,794) rights and options exercised in FY26. The weighted average share price based on the dates of the exercise was $4.12 (2025: $3.57). No rights or options expired during the periods covered by the above table.

4 Employee benefits continued

4.3 Share-based payments continued

iv) Fair values

Fair values of performance rights and options granted

The assessed fair value on the date rights and options were granted was independently determined using an appropriate valuation model that takes into account relevant inputs, including the exercise price, the term of the right or option, the impact of dilution, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the right or option.

The inputs used in the measurement of the fair values are as follows:

Description	Vesting conditions	Exercise price $	Grant date	Vesting date	Expiry date	Estimated share price at grant date $	Expected price volatility of the Company's shares	Risk-free interest rate	Assessed fair value at grant date $
Granted during the year:									
2025 STI – CEO	Service	—	5-Nov-25	31-Aug-26	5-Nov-35	4.30	55.29%	3.61%	4.30
2025 STI - Executives	Service	—	14-Nov-25	31-Aug-26	14-Nov-35	4.01	46.42%	3.72%	4.01
2025 STI	Service	—	14-Nov-25	31-Aug-26	14-Nov-35	4.01	46.67%	3.85%	4.01
2025 STI Special	Service	—	14-Nov-25	31-Aug-27	14-Nov-35	4.01	46.42%	3.72%	4.01
2026 LTI PR – CEO	rTSR	—	5-Nov-25	30-Sep-28	5-Nov-35	4.30	48.61%	3.98%	2.82
2026 LTI PR	rTSR	—	2-Dec-25	30-Sep-28	2-Dec-35	4.18	48.50%-49.01%	4.25%-4.30%	2.65-2.70
2026 LTI PR – CEO	EPS CAGR	—	5-Nov-25	30-Sep-28	5-Nov-35	4.30	48.61%	3.98%	4.30
2026 LTI PR	EPS CAGR	—	2-Dec-25	30-Sep-28	2-Dec-35	4.18	48.50%-49.01%	4.25%-4.30%	4.18
Granted in prior periods and outstanding at report date:									
2024 STI – CEO	Service	—	12-Nov-24	31-Aug-25	31-Aug-29	3.32	50.92%	4.18%	3.32
2024 STI - Executives	Service	—	12-Nov-24	31-Aug-25	31-Aug-29	3.32	50.92%	4.18%	3.32
2024 STI	Service	—	12-Nov-24	31-Aug-25	31-Aug-28	3.32	48.62%	4.56%	3.32
2024 LTI PR – CEO	rTSR	—	12-Nov-24	30-Sep-27	12-Nov-34	3.32	47.60%	4.34%	2.02
2024 LTI PR	rTSR	—	2-Dec-24	30-Sep-27	2-Dec-34	3.22	47.68%-48.29%	4.08%-4.12%	1.88-1.91
2024 LTI PR – CEO	PBT CAGR	—	12-Nov-24	30-Sep-27	12-Nov-34	3.32	47.60%	4.34%	3.32
2024 LTI PR	PBT CAGR	—	2-Dec-24	30-Sep-27	2-Dec-34	3.22	47.68%-48.29%	4.08%-4.12%	3.22
2023 STI – CEO	Service	—	3-Nov-23	31-Aug-24	31-Aug-28	3.91	46.53%	4.39%	3.91
2023 STI	Service	—	3-Nov-23	31-Aug-24	31-Aug-28	3.91	36.43%-46.53%	4.39%-4.65%	3.91
2023 LTI PR – CEO	rTSR	—	3-Nov-23	30-Sep-26	3-Nov-33	3.91	43.85%	4.51%	2.59
2023 LTI PR	rTSR	—	4-Dec-23	30-Sep-26	4-Dec-33	4.17	43.93%-44.57%	4.20%-4.23%	2.80 - 2.82
2023 LTI PR – CEO	PBT CAGR	—	3-Nov-23	30-Sep-26	3-Nov-33	3.91	43.85%	4.51%	3.91
2023 LTI PR	PBT CAGR	—	4-Dec-23	30-Sep-26	4-Dec-33	4.17	43.93%-44.57%	4.20%-4.23%	4.17
2022 STI – CEO	Service	—	18-Nov-22	31-Aug-24	31-Aug-27	4.58	48.20%	3.12%	4.58
2022 STI	Service	—	18-Oct-22	31-Aug-24	31-Aug-27	3.82	47.04%-52.89%	3.30%	3.82
2022 LTI SARs – CEO	iTSR	4.14	18-Nov-22	30-Sep-25	30-Sep-29	4.58	43.56%	3.45%	1.85
2022 LTI SARs	iTSR	4.14	6-Dec-22	30-Sep-25	30-Sep-29	4.82	43.99%-45.06%	3.22%-3.26%	2.05 - 2.06
2022 LTI PR – CEO	Underlying ROE	—	18-Nov-22	30-Sep-25	30-Sep-29	4.58	47.75%	3.27%	4.58
2022 LTI PR	Underlying ROE	—	6-Dec-22	30-Sep-25	30-Sep-29	4.82	48.70%-49.13%	3.09%-3.13%	4.82
2022 Special Award	Service	—	18-Oct-22	7-Nov-25	7-Nov-28	3.82	46.48%-46.69%	3.30%-3.45%	3.82
2021 STI – CEO	Service	—	19-Nov-21	31-Aug-23	31-Aug-26	5.80	46.29%	0.55%	5.80
2021 STI	Service	—	3-Feb-22	31-Aug-23	31-Aug-26	5.05	42.64%-48.85%	0.80%	5.05
2021 LTI SARs – CEO	iTSR	6.83	19-Nov-21	30-Sep-24	30-Sep-28	5.80	42.98%	1.55%	1.64
2021 LTI SARs	iTSR	6.83	24-Jan-22	30-Sep-24	30-Sep-28	5.13	42.54%-42.85%	1.65%-1.71%	1.16 - 1.18
2021 LTI PR – CEO	Underlying ROE	—	19-Nov-21	30-Sep-24	30-Sep-28	5.80	44.42%	1.14%	5.80
2021 LTI PR	Underlying ROE	—	24-Jan-22	30-Aug-24	30-Sep-28	5.13	45.02%-47.59%	1.10%-1.37%	5.13
2020 LTI PR	Underlying ROE	—	3-Mar-21	30-Sep-23	30-Sep-27	6.05	44.48%-46.77%	0.12%	6.05

The Monte Carlo valuation model is used to assess LTI performance rights and options with market-based performance conditions, whereas the Black-Scholes valuation model is used to assess all other performance rights and options. The inputs used in the valuation models for expected dividend yield for all performance rights and options above is 0.00%.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

4 Employee benefits continued

4.3 Share-based payments continued

v) Recognition of expenses

Recognition of expense of rights and options granted

The fair value of rights and options granted is recognised as an employee expense with a corresponding increase in equity, on a straight-line monthly basis over the vesting period in which the performance and/or service conditions are fulfilled after which the employees become unconditionally entitled to them. The cumulative expense recognised for share-based payments at each reporting date until the vesting date reflects the extent to which the vesting period has ended and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of the period. No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting are conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were $4,624,000 (2025: $5,979,000).

During the financial year there were no shares directly granted under the NOEP (2025: Nil).

vi) Summary of shares held by the trustee

Shares issued on the exercise of rights, options granted to employees, and shares purchased under the deferred salary sacrifice share scheme are initially held by the trustee of the NOEP or NEP, Certane CT Pty Ltd.

A reconciliation of shares held by the trustee of the NOEP and NEP is as follows:

	2026 Number of shares	2025 Number of shares
Employee shares on issue at 1 July	616,839	1,234,923
Issued on exercise of performance rights and options during the year	582,981	513,794
Shares purchased by the trustee under the deferred salary sacrifice share scheme	7,874	20,703
Withdrawn during the year	(268,821)	(1,152,581)
Employee shares on issue at 30 June	**938,873**	**616,839**

5 Assets and liabilities related to contracts with customers and government grants

5.1 Contract balances

The Group's accounting policy relating to trade and other receivables is detailed in Note 6.2.

Costs to obtain customer contracts include sales commissions paid to employees and are amortised over the customer contract period. Costs to obtain customer contracts expected to be amortised within 12 months of the reporting period are classified as current.

Assets related to contracts with customers are as follows:

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Trade and other receivables	45,693	—	45,693	37,895	—	37,895
Cost to obtain customer contracts	677	482	1,159	464	595	1,059
Total assets related to contracts with customers	**46,370**	**482**	**46,852**	**38,359**	**595**	**38,954**

Contract liabilities are the obligation to transfer goods and services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer. Contract liabilities expected to be realised within 12 months of the reporting period are classified as current.

Liabilities related to contracts with customers are as follows:

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Government grant liability	697	—	697	896	550	1,446
Contract liabilities	14,432	19,463	33,895	13,767	16,965	30,732
Total liabilities related to contracts with customers and government grants	**15,129**	**19,463**	**34,592**	**14,663**	**17,515**	**32,178**

The revenue recognised that was included in the contract liability balance at the beginning of the period was $14,663,000 (2025: $11,274,000).

5.2 Finance lease receivables

Leases in which the Group transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.

AASB16 provides further guidance in relation to initial measurement of finance leases for manufacturers which is applicable to Nanosonics. The net investment in the lease is disclosed as a "finance lease receivable" asset on the balance sheet. This is calculated as the future cash flows expected to be received under the lease discounted using an implied interest rate.

When a contract includes both lease and service components, the group applies AASB 15 to allocate the consideration under the contract to each component.

Finance lease receivables increased compared to the prior year due to a higher number of contracts sold during the reporting period.

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Finance Lease receivables	770	1,790	2,560	346	1,323	1,669

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

6 Financial assets and financial liabilities

6.1 Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments presented at market value that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

i) Cash and cash equivalents

Cash and cash equivalents at the reporting date as shown in the consolidated statements of cash flows and financial position are as follows:

	2026 $'000	2025 $'000
Cash at bank and on hand	19,887	20,437
Deposit on call	8,144	1,861
Short-term deposits	127,191	139,340
Total cash and cash equivalents	**155,222**	**161,638**

Cash term investments which are highly liquid irrespective of their maturity dates are classified as current assets at market value as they may not necessarily be held by the Company for their full term.

The Group's exposure to interest rate risk is discussed in Note 8(a)(ii). The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

ii) Reconciliation of profit before income tax to net cash inflow from operating activities

	2026 $'000	2025 $'000
Operating profit before income tax	20,112	22,287
Adjustment for:		
Depreciation, amortisation and impairment	8,717	8,069
Share based payments expense	4,624	5,979
Lease costs	622	366
Loss on disposal of fixed assets	33	12
Income tax paid	(1,384)	(2,589)
Unrealised loss/(gain) on foreign exchange movements	2,399	(1,463)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(7,799)	2,434
(Increase) in finance lease receivable	(892)	—
(Increase) in cost to obtain customer	(100)	(21)
(Increase)/decrease in inventories	(8,960)	1,452
(Increase)/decrease in financial instruments	(206)	137
(Increase) in other current assets	(579)	(423)
Decrease/(increase) in other non-current assets	35	(1,280)
Increase in trade and other payables	2,991	389
Increase in deferred revenue	2,415	5,452
Increase in employee benefit liabilities	452	3,136
Increase in provisions	70	46
Net cash provided by operating activities	**22,550**	**43,983**

iii) Credit standby arrangements unused

	2026 $'000	2025 $'000
Facility limits:		
Borrowing facilities	—	—
Guarantee facility	5,000	2,500
Facility remaining available:		
Borrowing facilities	—	—
Guarantee facility	451	206

6 Financial assets and financial liabilities continued

6.2 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less, they are classified as current assets, otherwise they are presented as non-current assets. Trade receivables are initially recognised at the transaction price of the revenue contract with customers, and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables generally have 30 to 90 days (2025: 30 to 90 days) credit terms and therefore are all classified as current.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Due to the short-term nature of the receivables, their carrying amount is assumed to be the same as their fair value.

Further information relating to trade and other receivables is provided in Note 8. This includes the Group's exposure to credit risk by geographical region and type of counterparty as well as information on the credit quality of trade receivables (Note 8(b)).

	2026 $'000	2025 $'000
Trade receivables net of expected credit loss	37,505	31,969
GST/VAT receivable	2,420	804
Interest and other receivables	5,768	5,122
Total trade and other receivables	**45,693**	**37,895**

Includes the tariff receivable $2.1 million.

6.3 Derivative financial instruments

The Group uses derivative financial instruments (foreign currency contracts) to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair values of foreign currency contracts are calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the profit and loss statement, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income.

For the purposes of hedge accounting, hedges are classified as:

- Fair value hedges, when they hedge the exposure to changes in the fair value of a recognised asset or liability; or
- Cash flow hedges, when they hedge the exposure to variability in cash flows that is attributable either to a particular risk associated with a recognised asset or liability or to a forecast transaction.

Hedges that meet the strict criteria for hedge accounting are accounted as follows:

- For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in the profit and loss statement;
- For fair value hedges, the carrying amount of the hedged item is adjusted for gains and losses attributable to the risk being hedged and the derivative is remeasured to fair value. Gains and losses from both are taken to the profit and loss statement;
- If the forward exchange contract no longer meets the criteria for hedge accounting, expires, or is terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs or when cash flows arising from the transactions are received; and
- For cash flow hedges, the associated cumulative gain or loss is removed from equity and recognised in the statement of profit or loss in the same period the hedged transactions affect the profit or loss on the same line item as the hedged transactions.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

- Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

6 Financial assets and financial liabilities continued

6.3 Derivative financial instruments continued

All of the Group's foreign exchange forward contracts and options were valued using market comparison technique (Level 2) and are calculated using forward exchange rates prevailing at the balance sheet date. There were no transfers between levels during the year. The fair values are based on third party independent valuations. Similar contracts are traded in an active market and the independent valuations reflect the actual transactions in similar instruments.

The market forward rates used to value foreign exchange forward contracts ranged between 0.5963 and 0.7192.

The ineffectiveness measured for the year in respect of the hedges designated for hedge accounting was deemed immaterial and subsequently no ineffectiveness was posted to profit or loss for the period.

Derivative financial assets and liabilities are as follows:

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Financial assets						
Derivative financial instruments	4,243	1,298	5,541	621	1,823	2,444
Financial liabilities						
Derivative financial instruments	227	287	514	284	174	458

6.4 Trade and other payables

Trade and other payables are carried at amortised cost. These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 60 days of recognition. Amounts due to be settled within 12 months after the reporting period are classified as current.

The carrying amounts of trade and other payables are assumed to be the same as their fair values due to their short-term nature.

Other payables include accruals for operations.

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Trade payables	3,925	—	3,925	1,529	—	1,529
Other payables	9,870	—	9,870	9,099	—	9,099
Total trade and other payables	**13,795**	**—**	**13,795**	**10,628**	**—**	**10,628**

6.5 Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used, residual guarantee, lease term, certainty of a purchase option, modification of the lease terms, and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The Group leases various offices, warehouses, equipment and motor vehicles. Rental contracts are typically made for fixed periods between three to eight years. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. This excludes short-term leases.

The weighted average lessee's incremental borrowing rate applied to operating lease liabilities was 6.72% (2025: 4.57%).

During the financial year, the Group has entered into new lease agreement for the new headquaters located in Macquarie Park. The lease has a commencement date of 1 April 2027. The premises were made available for use from 1 April 2026 (accounting commencement date), consistent with the definition of commencement under AASB 16. Accordingly, initial recognition reflects only the accessible area of 9,362 sqm, with the remaining areas (including the car park and unconfirmed ground floor space) to be recognised separately when access is granted and lease terms are finalised. The lease liability is measured based on the present value of gross contractual lease payments over the full lease term of 132 months, including the rent-free period.

6 Financial assets and financial liabilities continued

6.5 Lease liabilities continued

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Lease liabilities	2,959	20,172	23,131	3,424	4,262	7,686

	2026 $'000	2025 $'000
Balance as at 1 July	7,686	9,303
Additions	18,581	1,629
Interest expense	622	366
Payments	(3,732)	(3,612)
Disposal	(26)	—
Balance as at 30 June	**23,131**	**7,686**
The following are the amounts recognised in profit or loss:		
Depreciation expense of right-of-use assets	3,518	3,207
Interest expense on lease liabilities	622	366
Expense relating to short-term leases included in:		
Selling and general	758	535
Administration	87	48
Research and development	—	—
Total amount recognised in profit or loss	**4,985**	**4,156**

The Group had total cash outflows for leases of $4,577,000 in 2026 ($4,195,000 in 2025). The Group also had non-cash additions to lease liabilities of $18,581,000 in 2026 ($1,629,000 in 2025). All leases have fixed payment terms and there are no variable components.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. The Group has entered into operating leases on its property, plant and equipment consisting of trophon units. These leases have remaining terms of up to five years. The future minimum rentals receivable under non-cancellable operating leases as at 30 June are as follows:

	2026 $'000	2025 $'000
Within one year	1,378	1,736
Between 1 and 2 years	905	1,116
Between 2 and 3 years	620	605
Between 3 and 4 years	379	390
Between 4 and 5 years	182	181
More than 5 years	3	3
Total	**3,467**	**4,031**

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

7 Operating assets and liabilities

7.1 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is based on the weighted average principle, including expenditure incurred in acquiring the inventories and bringing them to their existing condition and location. In the case of manufactured inventory and work in progress, cost includes materials, labour and an appropriate level of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, selling, marketing and distribution expenses.

	2026 $'000	2025 $'000
Raw materials and stores	14,346	10,470
Work in progress	—	46
Finished goods	13,247	8,116
Total inventories	**27,593**	**18,632**

Inventories recognised as an expense (cost of sales) during the year ended 30 June 2026 amounted to $28,461,000 (2025: $28,492,000).

Management has performed an assessment of inventories held for the year ended 30 June 2026 and recognised write-downs during the year of $610,000, while write-ups were recognised in 2025 amounting to $416,000. The expense has been included in selling and general expenses in the profit and loss statement.

7.2 Property, plant and equipment

i) Owned assets

All property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when it is replaced. All other repairs and maintenance are charged to the profit and loss statement during the reporting period in which they are incurred. Production tooling used to manufacture component parts qualifies as property, plant and equipment when the Company expects to use it during more than one year.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the profit and loss statement.

ii) Depreciation

All assets have limited useful lives and are depreciated using the straight-line method over their estimated useful lives, or in the case of leasehold improvements, over the estimated useful life or lease term, whichever is shorter, taking into account residual values. Depreciation is expensed. The depreciation rates or useful lives used in the current and comparative years are as follows: leasehold improvements over the lease term; and plant and equipment two to seven years.

The assets' residual values, useful lives and depreciation methods are reviewed at least annually and adjusted prospectively, if appropriate.

iii) Impairment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. Non-financial assets, other than intangibles, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

7 Operating assets and liabilities continued

7.2 Property, plant and equipment continued

Total property, plant and equipment at net book value

	Leasehold improvements $'000	Plant and equipment $'000	Capital work in progress $'000	Total $'000
Year ended 30 June 2025				
Opening net book amount	4,427	7,482	467	12,376
Additions	2,268	4,439	3,224	9,931
Retirement and others	—	(28)	—	(28)
Transfers	—	410	(410)	—
Depreciation charge	(1,668)	(3,184)	—	(4,852)
Foreign currency translation effect (net)	(26)	9	102	85
Closing net book amount at 30 June 2025	**5,001**	**9,128**	**3,383**	**17,512**
As at 30 June 2025				
Cost	12,856	30,092	3,383	46,331
Impairment	—	—	—	—
Accumulated depreciation	(7,855)	(20,964)	—	(28,819)
Net book amount at 30 June 2025	**5,001**	**9,128**	**3,383**	**17,512**
Year ended 30 June 2026				
Opening net book amount	5,001	9,128	3,383	17,512
Additions	—	1,166	5,136	6,302
Retirement and others	—	(60)	—	(60)
Transfers	307	4,400	(4,707)	—
Depreciation charge	(1,948)	(3,251)	—	(5,199)
Foreign currency translation effect (net)	(86)	(15)	(28)	(129)
Closing net book amount at 30 June 2026	**3,274**	**11,368**	**3,784**	**18,426**
As at 30 June 2026				
Cost	13,067	35,396	3,784	52,247
Impairment	—	—	—	—
Accumulated depreciation	(9,793)	(24,028)	—	(33,821)
Net book amount at 30 June 2026	**3,274**	**11,368**	**3,784**	**18,426**

Plant and equipment includes trophon units that are utilised under rental or, service contracts, or managed equipment service arrangements, as well as units that are used for internal purposes. The gross and net book value of trophon units included in plant and equipment is $12,035,000 (2025: $10,604,000) and $3,627,000 (2025: $3,496,000), respectively.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

7 Operating assets and liabilities continued

7.3 Right-of-use assets

i) Right-of-use assets recognition

A right-of-use asset is recognised at the commencement date of a lease or the effective date of the lease modification. The right-of-use asset comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

ii) Depreciation

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

iii) Impairment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. Non-financial assets, other than intangibles, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

iv) Practical expedients

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Total right-of-use assets at net book value

	Premises $'000	Other equipment $'000	Total $'000
Opening net book amount as at 1 July 2024	7,999	370	8,369
Additions	1,208	495	1,703
Depreciation expense	(2,925)	(282)	(3,207)
Closing net book amount at 30 June 2025	**6,282**	**583**	**6,865**
Opening net book amount as at 1 July 2025	6,282	583	6,865
Additions	17,938	281	18,219
Depreciation expense	(3,189)	(329)	(3,518)
Closing net book amount at 30 June 2026	**21,031**	**535**	**21,566**

During the financial year, the Group has entered into new lease agreement for the new headquaters located in Macquarie Park. The lease has a commencement date of 1 April 2027. Rent is payable for the portions of the premises that were made available for use from 1 April 2026, consistent with the definition of commencement under AASB 16. Accordingly, initial recognition reflects only the accessible area of 9,362 sqm, with the remaining areas (including the car park and unconfirmed ground floor space) to be recognised separately when access is granted and lease terms are finalised. The lease liability is measured based on the present value of gross contractual lease payments over the full lease term of 132 months, including the rent-free period.

7 Operating assets and liabilities continued

7.4 Provisions

i) General

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reasonably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. An increase in the provision due to the passage of time is recognised as interest expense.

ii) Provision for warranty

Provision for warranty-related costs are made in respect of the Group's estimated liability on all products sold or services provided under warranty at the reporting date. The provision is measured at current values estimated to be required to settle the warranty obligation. The initial estimate of warranty-related costs is reviewed annually.

iii) Provision for make good

The Group has operating leases over its offices that require the premises to be returned to the lessor in their original condition.

The lease payments do not include an element for repairs or make good. A provision for make good lease costs is recognised at the time it is determined that it is probable that such costs will be incurred in a future year, measured at the expected cost of returning the asset to the lessor in its original condition. An offsetting asset of the same value is also recognised and is classified in property, plant and equipment. This asset is amortised to the profit and loss statement over the life of the lease.

Provisions as at the reporting date

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Provision for warranty	798	—	798	728	—	728
Make good provision	30	592	622	—	127	127
Total provisions	**828**	**592**	**1,420**	**728**	**127**	**855**

Movements in provisions

	Provision for warranty $'000	Make good provision $'000	Total $'000
Carrying amount at the beginning of the year	728	127	855
Additional provisions recognised	324	527	851
Amounts used/reversed during the period	(254)	(32)	(286)
Carrying amount at end of the year	**798**	**622**	**1,420**

The Group has recognised a provision for warranty consistent with the policy applied in prior periods. The Group has made assumptions in relation to the values estimated to be required to settle the warranty obligation on all products under warranty at the balance date.

8 Financial risk management

The Group is exposed to a variety of financial risks, including market risk (comprising foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors has overall responsibility for the Group's risk management framework. Responsibility for the development and implementation of controls to address risks is assigned to the Audit and Risk Committee. The responsibility is supported by the development of standards, policies and procedures for the management of these risks.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

8 Financial risk management continued

The financial risk management policies of the Group are consistent with prior periods. Management has identified that foreign currency risk and credit risk on receivables are material to the Group.

a) Market risk

Market risk is the risk that changes in market prices will affect the Group's financial performance.

i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expenses are denominated in a currency other than the Group's functional currency) and the Group's net investments in foreign subsidiaries. The Group enters into foreign currency contracts to mitigate its foreign currency risk on its net cash flows.

Exposure

The Group's primary exposure to foreign currency risk in the consolidated balance sheet as at the end of the reporting period mainly comprised:

	2026					2025				
	USD $'000	GBP £'000	Euro €'000	CAD $'000	JPY ¥'000	USD $'000	GBP £'000	Euro €'000	CAD $'000	JPY ¥'000
Cash and cash equivalents	13,554	1,042	845	1,656	28,338	15,312	235	543	1,908	41,117
Trade and other receivables	23,672	1,976	1,465	573	22,669	17,887	810	1,058	753	17,129
Trade and other payables	(4,381)	(865)	(348)	(182)	(26,574)	(3,052)	(348)	(393)	(324)	(6,332)
	32,845	**2,153**	**1,962**	**2,047**	**24,433**	**30,147**	**697**	**1,208**	**2,337**	**51,924**
Foreign currency forward contracts and options to buy/sell USD	87,500					79,650				

Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in the USD, GBP, EUR, CAD and JPY against the AUD, with all other variables held constant.

	Impact on post-tax profit		Impact on other components of equity	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Change in USD Rate				
Increase 5%	4,955	5,410	854	261
Decrease 5%	(5,253)	(5,675)	(772)	(236)
Change in GBP Rate				
Increase 5%	82	(22)	101	109
Decrease 5%	(74)	20	(92)	(98)
Change in EUR Rate				
Increase 5%	354	346	(334)	(380)
Decrease 5%	(320)	(313)	302	344
Change in CAD Rate				
Increase 5%	160	153	(118)	(82)
Decrease 5%	(145)	(139)	107	74
Change in JPY Rate				
Increase 5%	—	418	11	(568)
Decrease 5%	—	(378)	(10)	514

Post-tax profit and other components of equity are most sensitive to movements in the AUD/USD exchange rates because of the amount of USD denominated sales, trade receivables and bank balances. The sensitivity analysis above takes into account foreign currency denominated intercompany receivables and payables which do not form part of a net investment in foreign operations as although intercompany balances are eliminated in the consolidated balance sheet, the effect on profit or loss of their revaluation is not fully eliminated. The Group's exposure to movement in other foreign currencies is not material.

8 Financial risk management continued

a) Market risk continued

ii) Interest rate risk

The Group's main interest rate risk arises from the cash reserves in the operating bank accounts and short-term deposits, which expose the Group to cash flow interest rate risk.

The Group's exposure to interest rate risk is summarised below:

			Fixed interest rate maturing in:				
2026	Notes	Floating interest rate $'000	One year or less $'000	Over one to five years $'000	More than five years $'000	Non-interest bearing $'000	Total $'000
Financial assets							
Cash and cash equivalents	6.1	28,031	127,191	—	—	—	155,222
Trade and other receivables	6.2	—	—	—	—	45,693	45,693
Derivative financial instruments	6.3	—	—	—	—	5,541	5,541
Total financial assets		**28,031**	**127,191**	**—**	**—**	**51,234**	**206,456**
Weighted average interest rate		0.45%	4.52%	—	—	—	—
Financial liabilities							
Trade and other payables	6.4	—	—	—	—	13,795	13,795
Lease liabilities	6.5	—	2,959	5,690	14,482	—	23,131
Derivative financial instruments	6.3	—	—	—	—	514	514
Total financial liabilities		**—**	**2,959**	**5,690**	**14,482**	**14,309**	**37,440**
Weighted average interest rate		**—**	**6.72%**	**6.72%**	**6.72%**	**—**	**—**
Net financial assets/(liabilities)		**28,031**	**124,232**	**(5,690)**	**(14,482)**	**36,925**	**169,016**

			Fixed interest rate maturing in:				
2025	Notes	Floating interest rate $'000	One year or less $'000	Over one to five years $'000	More than five years $'000	Non-interest bearing $'000	Total $'000
Financial assets							
Cash and cash equivalents	6.1	22,298	139,340	—	—	—	161,638
Trade and other receivables	6.2	—	—	—	—	37,895	37,895
Derivative financial instruments	6.3	—	—	—	—	2,444	2,444
Total financial assets		**22,298**	**139,340**	**—**	**—**	**40,339**	**201,977**
Weighted average interest rate		0.23%	4.47%	—	—	—	—
Financial liabilities							
Trade and other payables	6.4	—	—	—	—	10,628	10,628
Lease liabilities	6.5	—	3,418	3,594	674	—	7,686
Derivative financial instruments	6.3	—	—	—	—	458	458
Total financial liabilities		**—**	**3,418**	**3,594**	**674**	**11,086**	**18,772**
Weighted average interest rate		**—**	**4.57%**	**4.57%**	**4.57%**	**—**	**—**
Net financial assets/(liabilities)		**22,298**	**135,922**	**(3,594)**	**(674)**	**29,253**	**183,205**

Sensitivity

The profit and loss statement is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates. For the year ended 30 June 2026, it is estimated that a general increase of 25 basis points in interest rates would have increased the Group's profit after tax and equity by $277,000 (2025: $255,000). A decrease of 25 basis points in interest rates would have had the equal but opposite effect on the Group's profit after tax and equity.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

8 Financial risk management continued

b) Credit risk

Credit risk is the risk of financial loss to Nanosonics if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, favourable derivative financial instruments, deposits with banks and financial institutions, and credit exposures to customers. The maximum exposure to credit risk as at the reporting date is the carrying amount of the financial assets as described in Note 6. The Company's exposure to credit risk is influenced mainly by the geographical location, the type of individual customers, and the characteristics of individual customers.

Maximum exposure to credit risk for trade receivable by geographical region was as follows:

	2026 $'000	2025 $'000
North America	31,989	28,046
Europe	4,393	3,016
Asia Pacific	1,123	907
	37,505	**31,969**
Maximum exposure to credit risk for trade receivable by type of counterparty was as follows:		
Distributors	6,607	4,265
End-user customers	30,898	27,704
	37,505	**31,969**

As at 30 June 2026, GE Healthcare (worldwide) and Henry Schein (worldwide), combined, accounted for over 11.0% of the trade receivables (2025: 12.2%).

Collateral is not held as security, nor is it the Group's policy to transfer (on-sell) receivables to special purpose entities.

i) Risk management

Credit risk is managed on a Group basis. The Group may only invest surplus funds in deposits and floating rate notes offered by any major bank approved by the Board with no more than 50% held at any one bank.

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to credit risk management. The Group performs credit assessments of its customers prior to entering into any sales agreements. The Group utilises an external credit rating agency to assess the credit worthiness of its customers.

As a result, the Group believes that its trade receivable credit risk exposure is mitigated and it has not experienced significant write-downs in its trade receivable balances. The Group's trade and other receivables is detailed in Note 6.2.

The credit risk arising from derivative financial instruments is not significant.

ii) Credit quality

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

An analysis of the credit profile of customers that are neither past due nor impaired are as follows:

	2026 $'000	2025 $'000
GE Healthcare and associated affiliates	2,847	1,742
Covered by credit insurance	—	—
Other customers:		
Four or more years' trading history with the Group	22,409	16,379
Less than four years' trading history with the Group	2,294	6,449
	27,550	**24,570**

8 Financial risk management continued

b) Credit risk continued

Impaired trade receivables

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount directly. The other receivables are assessed collectively under the expected credit loss model to determine whether any allowance for expected credit losses is required. For these receivables, the estimated impairment losses are recognised in a separate provision for impairment. The Group considers that there is evidence of impairment if any of the following indicators are present:

- Default or delinquency in payments;
- Significant financial difficulties of the debtor; or
- Probability that the debtor will enter bankruptcy or financial reorganisation.

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash.

Impairment losses are recognised in the profit and loss statement within selling and general expenses. Subsequent recoveries of amounts previously written off are credited against selling and general expenses.

As at 30 June 2026, trade receivables with a nominal value of $179,000 (2025: $68,000) were considered impaired and fully provided for.

The movement in provision for impairment in respect of trade and other receivables during the year was as follows:

	2026 $'000	2025 $'000
Balance at 1 July	235	361
Provision for impairment recognised during the year	179	68
Receivables written off during the year as uncollectible		(177)
Unused amount reversed	(11)	(17)
Balance at 30 June	**403**	**235**

Past due but not impaired

As at 30 June 2026, trade receivables of $12,048,000 (2025: $8,362,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The aging analysis of trade receivables is as follows:

	2026 $'000	2025 $'000
Neither past due nor impaired	25,457	23,607
Past due but not impaired		
< 30 days	5,260	5,096
30-60 days	2,038	1,463
> 60 days	4,750	1,803
	37,505	**31,969**

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

8 Financial risk management continued

c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are invested in short and medium term instruments which are tradeable in highly liquid markets.

At the end of the reporting period, the Group held short-term deposits of $127,191,000 (2025: $139,340,000) that are expected to readily generate cash inflows, as well as cash at bank and on hand of $28,031,000 (2025: $22,298,000) that is readily available for managing liquidity risk.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than three months	Three to 12 months	Over one to five years	Five years	Total
2026					
Trade and other payables	13,795	—	—	—	13,795
Lease liabilities	907	2,576	11,840	17,823	33,146
Derivative financial instruments	181	46	287	–	514
Total financial liabilities	**14,883**	**2,622**	**12,127**	**17,823**	**47,455**
2025					
Trade and other payables	10,628	—	—	—	10,628
Lease liabilities	957	2,727	3,931	757	8,372
Derivative financial instruments	2	282	174	—	458
Total financial liabilities	**11,587**	**3,009**	**4,105**	**757**	**19,458**

9 Capital structure

9.1 Capital and reserves

a) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Ordinary shares carry one vote per share and entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to vote and, upon a poll, each share is entitled to one vote. Ordinary shares have no par value, are fully paid, and the Company does not have a limited amount of authorised capital.

Movements in ordinary share capital:

	Number of shares	$'000
Balance 30 June 2024	302,997,848	114,545
Issue of shares under employee share plans – proceeds received	634,894	310
Balance 30 June 2025	303,632,742	114,855
Issue of shares under employee share plans – proceeds received	824,860	205
Share Buy Back	**(5,546,728)**	**(2,097)**
Balance 30 June 2026	**298,910,874**	**112,963**

b) Reserves

i) Share-based payments reserve

The share-based payments reserve is used to recognise the fair value at grant date of performance rights and options issued as detailed in Note 4.3 less any payments made to meet the Company's obligations through the acquisition of shares on market, together with income taxes on such payments.

ii) Foreign currency translation reserve

The foreign currency translation reserve records the exchange differences arising on translation of the financial statements of the foreign subsidiaries where the functional currency is different from the presentation currency of the reporting entity as detailed in Note 1.2 (e).

iii) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to underlying transactions that have not yet occurred.

9.2 Capital management

The Board and management controls the capital of the Group to ensure that the Group can fund its operations and continue as a going concern.

The Group's capital includes ordinary share capital and financial liabilities supported by financial assets. There are no externally imposed capital requirements. The Board and management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and the risk in the market. These responses include the management of share issues. During the year, the Company repurchased 5,546,728 (2025: Nil) shares for a total amount of $20 million under its on-market share buy-back program.

The Share buy back comprises the nominal value of shares purchased by the company from its retained earnings, which are no longer available for distribution. The share buy back reserve is the difference between the cash paid for shares on-market and the book value of share capital that has been cancelled.

There have been no other changes in the strategy adopted by management to control the capital of the Group since the prior year.

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

10. Other notes

10.1 Commitments

Capital commitments

As at 30 June 2026, the Group had commitments to purchase plant and equipment of $1,193,000 (2025: $1,724,000). These commitments are not recognised as liabilities as the relevant assets have not yet been received.

10.2 Related party transactions

a. Transactions with related parties

Note 10.3 provides the information about the Group's structure, including the details of the subsidiaries and the parent entity.

i) Directors and Key Management Personnel compensation

	2026 $'000	2025 $'000
Director fees	945,738	991,403
Short-term employee benefits	2,421,098	2,300,231
Long-term employee benefits	206,884	191,162
Post-employment benefits	165,689	179,082
Share-based payments	1,686,078	1,780,642
Total Directors and Key Management Personnel compensation	**5,425,487**	**5,442,520**

Detailed remuneration disclosures are provided in the remuneration report on pages 36 to 59.

ii) Transactions with other related parties

Certain Directors or their personally related entities (Related Parties) hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

In the period to 30 June 2026, there were no transactions with related parties.

iii) Outstanding balances arising from sales/purchases of goods and services

As at 30 June 2026, there are no amounts due from or to other Related Parties. There were no provisions for impaired receivables in relation to any outstanding balances from Related Parties (30 June 2025: Nil) and no expense has been recognised during the period in respect of impaired receivables due from Related Parties.

iv) Loans to Directors and Key Management Personnel

During the year and to the date of this report, the Group made no loans to Directors and Key Management Personnel and none were outstanding as at 30 June 2026 (2025: Nil).

v) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Outstanding balances are unsecured and are repayable in cash.

10. Other notes continued

10.3 Controlled entities

The consolidated financial statements of the Group include:

Name of controlled entity	Principal activities	Country of incorporation	Class of shares	Equity Holdings 2026	Equity Holdings 2025
Nanosonics Europe GmbH	Provision of sales and customer support services to Nanosonics Europe Limited in Europe	Germany	Ordinary	100%	100%
Saban Ventures Pty Limited	Owner of the registered intellectual property of the Group	Australia	Ordinary	100%	100%
Nanosonics, Inc.	Sales and distribution of Nanosonics' products and provision of sales and customer support services to Nanosonics Limited in the USA	USA	Ordinary	100%	100%
Nanosonics Europe Limited	Sales and distribution of Nanosonics' products in Europe	UK	Ordinary	100%	100%
Nanosonics UK Limited	Provision of sales and customer support services in Europe	UK	Ordinary	100%	100%
Nanosonics Canada, Inc.	Sales and distribution of Nanosonics' products and services in Canada	Canada	Ordinary	100%	100%
Nanosonics Japan KK	Sales and distribution of Nanosonics' products and services in Japan	Japan	Ordinary	100%	100%
Nanosonics (Shanghai) Co. Ltd	Sales and distribution of Nanosonics' products and services in China	China	Ordinary	100%	100%
Nanosonics Investments Pty Ltd	Strategic investments	Australia	Ordinary	100%	100%

10.4 Parent entity information

As at and throughout the financial year ended 30 June 2026, the parent entity of the Group is Nanosonics Limited which is based and listed in Australia. The individual financial statements for the parent entity show the following aggregate amounts:

i) Summary financial information

	2026 $'000	2025 $'000
Statement of financial position		
Current assets	188,539	223,719
Total assets	242,228	248,828
Current liabilities	126	17,390
Total liabilities	19,960	21,154
Shareholders' equity		
Share capital	112,963	114,855
Share-based payments reserve	26,008	39,370
Hedging reserve (net of tax)	3,229	1,246
Retained earnings	80,068	72,205
Total equity	**222,268**	**227,676**
Profit for the year	**7,845**	**19,317**
Total comprehensive income	**9,295**	**19,154**

Notes to the consolidated financial statements continued

For the year ended 30 June 2026

10. Other notes continued

10.4 Parent entity information continued

ii) Guarantees entered into by the parent entity

For the year ended 30 June 2026, the parent entity provided assurances to its controlled entities – Nanosonics Europe GmbH, Nanosonics Europe Limited and Nanosonics UK Limited – that the intercompany debts will not be required to be repaid until such time as the controlled entities have sufficient funds available. No other guarantees were provided during the period.

iii) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2026 (2025: Nil).

iv) Contractual commitments for the acquisition of property, plant or equipment

As at 30 June 2026, the parent entity had commitments to purchase plant and equipment of $1,181,000 (2025: $1,322,000). These commitments are not recognised as liabilities as the relevant assets have not yet been received.

v) Accounting policies

The accounting policies of the parent entity are consistent with the Group except for investment in controlled entities which is carried in the parent company financial statements at the lower of cost or recoverable amount.

10.5 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices, and non-related audit firms:

	2026 $	2025 $
Fees to Ernst & Young (Australia)		
Audit services		
Fees for auditing the statutory financial report of the parent covering the Group	570,361	550,542
Fees for auditing the statutory financial reports of the controlled entities based in the UK	76,439	79,700
Total audit services	**646,800**	**630,242**
Non-audit services		
Tax compliance (Australia)	150,240	172,450
Tax compliance (Overseas)	52,245	41,731
Other services	79,970	62,176
Total non-audit services	**282,455**	**276,357**
Total fee for services provided	**929,255**	**906,599**

10.6 New standards and interpretations not yet adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

10.7 Events occurring after the balance date

No matters or circumstances that have arisen since 30 June 2026 have significantly affected, or may significantly affect:

a. The Group's operations in the current or future financial years;

b. The results of those operations in the current or future financial years; or

c. The Group's state of affairs in the current or future financial years.

Consolidated Entity Disclosure Statement

The consolidated entity comprises the following entities that are part of the consolidated entity at 30 June 2026:

Name of controlled entity	Entity type	Place formed or incorporated	Body corporate % of share capital held	Country of tax residence
Nanosonics Limited	Body corporate	Australia		Australia
Nanosonics Europe GmbH	Body corporate	Germany	100%	Germany
Nanosonics Europe GmbH (Ireland branch)	Body corporate	Germany	100%	Ireland
Saban Ventures Pty Limited	Body corporate	Australia	100%	Australia
Nanosonics, Inc.	Body corporate	USA	100%	USA
Nanosonics Europe Limited	Body corporate	UK	100%	UK
Nanosonics UK Limited	Body corporate	UK	100%	UK
Nanosonics UK Limited (France branch)	Body corporate	UK	100%	France
Nanosonics UK Limited (Ireland branch)	Body corporate	UK	100%	Ireland
Nanosonics Canada, Inc.	Body corporate	Canada	100%	Canada
Nanosonics Japan KK	Body corporate	Japan	100%	Japan
Nanosonics (Shanghai) Co. Ltd	Body corporate	China	100%	China
Nanosonics Investments Pty Ltd	Body corporate	Australia	100%	Australia

Directors' declaration

For the year ended 30 June 2026

1. In the opinion of the Directors:
   a) The financial statements and notes of the Company and its subsidiaries (collectively the Group) set out on pages 60 to 97 are in accordance with the Corporations Act 2001, including:
      i. Complying with the Australian Accounting Standards and the Corporations Regulations 2001; and
      ii. Giving a true and fair view of the Company's and Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
   b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1.2;
   c) There are reasonable grounds to believe that the Company and its subsidiaries will be able to pay their debts as and when they become due and payable; and
   d) The consolidated entity disclosure statement required by section 295(3A) of the Corporations Act is true and correct.
2. The Directors have been given the declarations by the Managing Director and CEO and the Chief Financial Officer required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2026.
3. This declaration is made in accordance with a resolution of Directors.

Steven Sargent
Chairman

Sydney, 25 August 2026

Independent Auditor's Report to the members of Nanosonics Limited

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Shape the future
with confidence

Independent auditor's report to the members of Nanosonics Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Nanosonics Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Independent Auditor's Report to the members of Nanosonics Limited
continued

Shape the future
with confidence

Revenue from Customer Contracts

Why significant	How our audit addressed the key audit matter
Revenue of $203.9m was recognised from the sale of goods and services for the year ended 30 June 2026. Revenue from the sale of goods is recognised when the Group has delivered the goods to customers and revenue from the sale of services is recognised as the service is provided. The Group's revenue contracts often include several performance obligations. This was considered a key audit matter due to the level of judgement required to determine whether the criteria for revenue recognition, including satisfying the different performance obligations were met in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers*, and the period in which the revenue is recognised. Note 2 of the financial report discloses the accounting policy for revenue from customer contracts.	Our audit procedures included the following: ▪ Assessed the appropriateness of the Group's revenue recognition accounting policies in accordance with the requirements of Australian Accounting Standards. ▪ Assessed the operating effectiveness of relevant controls relating to the recognition of revenue from the sale of goods and services. ▪ Selected a sample of cash receipts and agreed the transactions to remittance advice and/or bank statements. ▪ Selected a sample of sale of goods and services transactions and evaluated whether the sale was recognised in the correct period. ▪ Selected a sample of service revenue contract liabilities and agreed the related sales to approved contracts and/or invoices. In addition, we recalculated the contract liability recorded. ▪ Selected a sample of service calls and agreed the details to the service report and related invoice to assess whether the related revenue was recognised in the correct period. ▪ Performed data analytic procedures to evaluate the correlation between revenue from the sale of goods, accounts receivable and cash receipts. ▪ Assessed the adequacy and appropriateness of the disclosures relating to revenue included in Note 2 to the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2026 Annual Report other than the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

Shape the future
with confidence

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report to the members of Nanosonics Limited
continued

Shape the future with confidence

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 38 to 59 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Nanosonics Limited for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Shape the future
with confidence

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst and Young

Ernst & Young

Vida Virgo
Partner
Sydney
25 August 2026

Shareholder information

The shareholder information set out below was applicable as at 31 July 2026.

A. Equity security holders

Twenty largest holders of quoted equity securities

Ordinary shares	Number of quoted shares held	Percentage
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	63,491,554	21.24%
CITICORP NOMINEES PTY LIMITED	62,487,299	20.90%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	42,347,810	14.17%
BNP PARIBAS NOMS PTY LTD	18,140,156	6.07%
UBS NOMINEES PTY LTD	12,044,690	4.03%
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	8,788,378	2.94%
MR BERNARD STANG	6,882,564	2.30%
MR MAURIE STANG	6,833,619	2.29%
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	5,715,556	1.91%
MR STEVEN KENNETH KRITZLER	4,489,737	1.50%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	3,369,457	1.13%
MIRRABOOKA INVESTMENTS LIMITED	2,642,073	0.88%
DR HARRY HIRSCHOWITZ	2,133,227	0.71%
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	1,998,886	0.67%
MR MICHAEL KAVANAGH	1,256,723	0.42%
CITICORP NOMINEES PTY LIMITED <143212 NMMT LTD A/C>	1,203,491	0.40%
FIRST SAMUEL LTD ACN 086243567 <ANF ITS MDA CLIENTS A/C>	1,065,934	0.36%
CERTANE CT PTY LTD <NANOSONICS EET A/C>	938,529	0.31%
MR EVAN PHILIP CLUCAS + MS LEANNE JANE WESTON <KURANGA NURSERY SUPER A/C>	908,378	0.30%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	902,977	0.30%
Total top 20 holders	**247,641,038**	**82.83%**
Total all other holders	51,269,836	17.17%
Total shares on issue	**298,910,874**	**100.00%**

Unquoted equity securities	Number of options over ordinary shares	Number of holders[1]
Rights and options on issue		
Rights at nil exercise price under NOEP and NEP to take up unissued ordinary shares	5,069,014	191
Share appreciations rights under NOEP and NEP to take up unissued ordinary shares	825,724	62
Options under NOEP and NEP to take up unissued ordinary shares	—	—
Total performance rights and options on issue	**5,894,738**	**253**

1. There are 117 unique holders with a number of holders holding two or three types of unquoted securities.

B. Distribution of equity securities

Analysis of numbers of ordinary shares and rights and options by size of holding

	Quoted ordinary shares			Unquoted rights & options		
	Units	Percentage	Holder	Units	Percentage	Holder
1 - 1,000	6,482	2,642,742	0.88%	91	46,333	1%
1,001 - 5,000	3,334	8,537,290	2.86%	49	104,999	2%
5,001 - 10,000	911	6,810,766	2.28%	4	26,161	0%
10,001 - 100,000	767	19,191,152	6.42%	35	1,122,248	19%
100,001 and over	84	261,728,924	87.56%	12	4,594,997	78%
Total holders	**11,578**	**298,910,874**	**100%**	**191**	**5,894,738**	**100%**

A total of 158,720 units were held by 1,723 holders of less than a marketable parcel of 160 ordinary shares at $3.14 per share (being the closing price on 31 July 2026).

C. Substantial holders

Substantial holders in the Company are shown below:

	Number of ordinary shares	Percentage
Selector Funds Management Limited[1]	24,374,937	8.20%
Hyperion Asset Management Limited[1]	20,791,758	7.00%
Yarra Capital Management Group[1]	17,816,067	6.00%

1. Shares in which the substantial holder had a relevant interest as at 30 June 2026.

D.Voting rights

The voting rights attaching to each class of equity securities are set out below:

a) Ordinary shares

All ordinary shares carry one vote per share without restrictions. Every member present in person or by proxy shall have one vote for each share.

b) Rights and options

Rights and options have no voting rights.

E. Restricted securities and voluntary escrow

As at the date of this report, Nanosonics has no restricted securities (as defined in the ASX Listing Rules), or securities subject to voluntary escrow, on issue.

Glossary

AASB	Australian Accounting Standards Board
AcuTrace®	RFID technology that digitally captures the clinical workflow
AGM	Annual General Meeting
APES	Accounting Professional and Ethical Standard
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange Limited
AUD	Australian dollar
AuditPro™	Digital workflow compliance management system for tracking various instruments used in medical procedures
ANZ	Australia and New Zealand
CAD	Canadian dollar
CAGR	Compounded Annual Growth Rate
CDC	Center for Disease Control
CEO	Chief Executive Officer
CEO&P	Chief Excecutive Officer and President
CFO	Chief Financial Officer
CIO	Chief Information Officer
COO	Chief Operating Officer
Company or Nanosonics	Nanosonics Limited ABN 11 095 076 896
Constant currency	Removes the impact of foreign exchange rate movements to facilitate comparability of operational performance. This is done by converting the current period sales of entities that use currencies other than Australian dollars at the rates that were applicable in the prior period
CSO	Chief Security Officer
CTO	Chief Technology Officer
CORIS	The CORIS System is Nanosonics' groundbreaking automated technology designed to transform flexible endoscope reprocessing
Date of this report	25 August 2026
EBIT	Earnings Before Interest and Tax
EBTDA	Earnings Before Tax Depreciation and Amortisation
EMEA	Europe Middle East and Africa
EPS	Earnings Per Share
ERP	Enterprise Resource Planning
ESG	Environmental, Social and Governance
EUR	European Currency
FAICD	Fellow of the Australian Institue of Company Directors
FDA	Food and Drug Administration
FY	Financial year, e.g. FY2026 is the financial year ended 30 June 2026
GBP	Great Britain Pound
GESP	Global Employee Share Plan
Group	Nanosonics Limited and its wholly owned subsidiary companies
GST	Goods and Services Tax
H1	First half of the year, e.g. 01 July – 31 December
H2	Second half of the year, e.g. 01 January – 30 June
H_2O_2	Hydrogen Peroxide
HIV	Human Immunodeficiency Virus
HLD	High-Level Disinfection – involves the complete elimination of all microorganisms in or on an instrument, except for small numbers of bacterial spores
IASB	International Accounting Standards Board
IB	Installed base
IFRS	International Financial Reporting Standards

IP	Intellectual Property
ITAA	Income Tax Assessment Act
iTSR	Index Total Shareholder Return
JPY	Japanese Yen
KMP	Key Management Personnel
LTI	Long-Term Incentives
LTIFR	Lost Time Injury Frequency Rate
LTIS	Long-Term Incentive Scheme
M&A	Merger and Acquisitions
NAIDOC	National Aboriginal and Islanders Day Observance Committee
NAN	Nanosonics Limited (ASX Code)
NED	Non-Executive Director
NEP	Nanosonics Equity Plan
NHS	National Health System (UK)
NOEP	Nanosonics Omnibus Equity Plan
OEM	Original Equipment Manufacturer
PBT	Profit before tax
PCP	Prior corresponding period
PCSR	People & Culture, Safety and Remuneration
PR	Performance Rights
Q1, 2, 3, or 4	Three-monthly periods beginning 1 July, 1 October, 1 January and 1 April respectively
QMS	Quality Management System
R&D	Research and Development
Reporting period	Year to 30 June 2026
ROE	Return on equity
rTSR	Percentile Rank of the Company's Total Shareholder Return
SARs	Share Appreciation Rights
SARS CoV-2	Severe acute respiratory syndrome coronavirus 2
SG&A	Selling, General and Administration
STeP	FDA Safer Technologies Program
STI	Short-Term Incentives
TFR	Total Fixed Remuneration
trophon®	The brand representing Nanosonics' range of infection control solutions designed specifically for healthcare settings
trophon® EPR	The brand of Nanosonics' first generation device specifically designed to disinfect intracavity and surface ultrasound probes
trophon®2	The next generation trophon® device with an enhanced design and new functionality including AcuTrace™ for audit-ready digital record-keeping and capabilities to seamlessly connect trophon®2 with hospital IT systems
TEE	Transesophageal Echocardiograhy
TSR	Total Shareholder Return
UGAP	Union des Groupements d'Achats Publics
UK	United Kingdom
UROE	Underlying return on equity
US	United States of America
USD	United States dollar
VAT	Value Added Tax
VWAP	Volume Weighted Average Price
WAEP	Weighted Average Exercise Price
WHS	Work, Health and Safety

Corporate directory and information for investors

Nanosonics Limited

ABN 11 095 076 896
incorporated 14 November 2000

Directors

Steven Sargent
Marie McDonald
Gerard Dalbosco
Tracey Batten
Larry Marshall
Sarah Butler
Michael Kavanagh

Company Secretary

Matthew Carbines

Registered Office

Level 1 Building A
7-11 Talavera Road
Macquarie Park
NSW 2113 Australia

Ph: +61 2 8063 1600

Share Register

Computershare Investor Services Pty Ltd
GPO Box 2975
Melbourne VIC 3001 Australia

Ph: +61 3 9415 4088
Ph: 1300 555 159 (within Australia)

https://www.computershare.com/au

Investor/Media Relations

Catherine Strong
Ph: +61 2 8063 1600
Email: c.strong@nanosonics.com

Auditor

Ernst & Young
200 George Street
Sydney NSW 2000 Australia

Legal Advisors

Gilbert + Tobin
Level 35, Tower 2/200 Barangaroo Avenue
Sydney NSW 2000 Australia

Bankers

Australia
Australia and New Zealand Banking Group Limited
HSBC Bank Australia Limited
National Australia Bank Limited
Commonwealth Bank of Australia Limited

United Kingdom
HSBC Bank PLC

Germany
HSBC Trinkaus & Burkhardt AG
Deutsche Bank AG

United States
HSBC Bank USA NA
PNC Financial Services Group, Inc.

Japan
MUFG Bank Ltd.

China
HSBC Bank (China) Shanghai

Stock Exchange Listing

Nanosonics Limited shares are listed on the Australian Securities Exchange

ASX code: **NAN**

Industry Group: Healthcare Equipment & Services

2026 Annual General Meeting

The 2026 AGM of Nanosonics Limited will be held at:

Level 1 Building A
7-11 Talavera Road
Macquarie Park
NSW 2113 Australia

at 11:00am on 4 November 2026.

Details to be announced separately.

Website address

www.nanosonics.com.au

designdavey

nanosonics

Infection Prevention. **For Life.**