ASX ANNOUNCEMENT

26 February 2026

Saluda reports H1 FY26 Results

FY26 Revenue guidance increase reaffirmed; on track to exceed other key IPO Prospectus pro forma financial metrics

Highlights:

- **Commercial momentum achieved in H1 FY26, including:**
  - **Acceleration in global revenue growth (+ 17% vs prior corresponding period (pcp) to US$39.4 million), driven by increase in US trained sales reps and active physicians;**
  - **International revenue of US$11.0 million (+27% vs pcp);**
  - **US implanted patient growth of 17% vs pcp, driven by an increase in active implanting physicians; and**
  - **Total number of US sales reps at 31 December 2025 ahead of plan, supporting ability to achieve or exceed 154 total sales reps at FY26 year end, and on track to achieve an average of 89 fully trained US sales reps over FY26**
- **Other key financial metrics tracking ahead of IPO prospectus estimates in H1 FY26, including:**
  - **Gross margin of 49.4%, reflecting +220 basis point expansion vs pcp, on track to exceed IPO prospectus full year FY26 estimate of 45.9%;**
  - **Adjusted EBITDA of (US$56.9) million in H1, on track to improve vs IPO prospectus full year FY26 estimate of ($114.7) million; and**
  - **Cash used in operations of US$60.3 million in H1, on track to improve vs IPO prospectus full year FY26 estimate of US$123.9 million**
- **FY26 previously increased revenue guidance reaffirmed at US$85 million, representing 21% year-over-year growth[1]**
- **Strong cash balance at 31 December 2025 of US$151.4 million, ahead of plan**
- **Investor webinar today, 26 February at 10.15am AEDT (click to register).**

Saluda Medical, Inc. (ASX:SLD, "Saluda" or the "Company"), a commercial-stage medical device company focused on developing treatments for chronic neurological conditions using its novel closed-loop neuromodulation platform, today releases its financial results for the six-month period ended 31 December 2025 (H1 FY26).

Commenting on the release, Saluda's Chief Executive Officer, Barry Regan, said:

"We are pleased with the momentum within the first six months of FY26. We saw continued growth in the active implanting physician base and remain confident in our ability to build the size and quality of

[1] Up from $US81.9 million, as set out in the IPO Prospectus. Guidance upgraded at Q2 FY26 results (28 January 2026).

our sales force as planned heading into the new calendar year. Our team continues to be focused on execution and driving the organisation in line with our growth strategy.

Our first half performance gave us the confidence to previously increase our FY26 revenue guidance. Additionally, we expect to improve on our other key FY26 financial metrics of gross margin, adjusted EBITDA, and cash used in operations.

The strength of our clinical evidence, the scalability of our commercial model, and the dedication of our team positions the Company well to continue to make a significant difference in patient outcomes."

Global and US commercial momentum

During the half, Saluda delivered H1 FY26 global revenue of US$39.4 million (+17.0% vs pcp), driven by an expanding number of US active implanting physicians, increased rate of implants per physician and international revenue performance.

	H1 FY26	H1 FY25	Growth vs. PCP
US Revenue ($m)	**28.4**	25.0	*13.6%*
Int'l Revenue ($m)	**11.0**	8.7	*26.8%*
Total Revenue ($m)	**39.4**	33.7	*17.0%*
# of US Patients Implanted	**1,212**	1,039	*16.7%*
US Avg. Quarterly Active Implanting Physicians	**273**	236	*15.7%*

The number of US implanted patients grew 16.7% in H1 FY26 vs pcp, accelerating quarter-on-quarter within the first half. Combined with usual sequential seasonality improvements, Saluda's expanding trained US sales force also led to a higher level of active implanting US physicians.

Saluda has made continued improvements in its hiring, training activities and processes, further supported by the full launch of the EVA™ automated programming platform in the US in July 2025. The EVA launch further simplifies the programming process, increasing the opportunity for patients to achieve an optimised and personalised program earlier in their therapy. Critically, this technology advancement supports continued sales training improvement, increasing the Company's focus on new sales rep productivity.

International revenue growth of 26.8% delivered in H1 FY26 vs pcp was driven by increased customer demand in Europe and growth in patient volume in Australia.

Financial highlights

	H1 FY26	H1 FY25	Change vs. PCP
Total Revenue *US($m)*	**39.4**	33.7	*17.0%*
Gross profit *US($m)*	**19.4**	15.9	*22.4%*
Gross margin %	**49.4%**	47.2%	*220 bps*
Adjusted EBITDA[2] *US($m)*	**(56.9)**	(49.1)	*15.9%*
Cash used in operations *US($m)*	**(60.3)**	(57.7)	*4.5%*

Cash on hand at 31 December 2025 was US$151.4 million and ahead of plan.

Reconciliation of Adjusted EBITDA

US($m)	H1 FY26	H1 FY25
Loss from operations	**(69.5)**	(53.6)
Plus: Stock-based compensation	**6.8**	3.2
Plus: Special charges	**4.5**	-
Plus: Depreciation & amortization	**1.4**	1.3
Adjusted EBITDA	**(56.9)**	(49.1)

During the first half, Saluda delivered strong revenue of US$39.4 million. This resulted in gross margin of 49.4%, a +220 basis point improvement compared to 47.2% in the pcp. This was driven by lower IPG unit costs, positive country mix impact in Europe, and a reduction in cost of ancillary products in Europe. These were all partially offset by planned reduced pricing in the US as Saluda moves further into the ambulatory surgery center (ASC) portions of the US market.

First half adjusted EBITDA was (US$56.9) million compared to (US$49.1) million in the pcp, as the growth in revenue is currently being outpaced by the growth in sales and marketing expense as Saluda continues to invest in its US sales force expansion. This is also combined with certain one-time compensation and consulting related general and administrative expenses. Cash used in operations in the first half was (US$60.3) million, 4.6% above cash used in the pcp, driven by investment in expansion of US sales force and one-time related general and administrative expenses, offset by more controlled inventory levels supporting commercialisation.

[2] Adjusted EBITDA equals earnings before interest, taxes, depreciation, amortization, stock-based compensation, special charges, and other non-operating income and expenses.

Operational update

During the half, Saluda remained focused on the ongoing expansion of the Company's US sales force, continued engagement and training of new physician customers, as well as physician education to increase awareness and understanding of the clinical value of objective neural data combined with closed-loop spinal cord stimulation. The Company's US sales force hiring and retention activities have resulted in total US sales reps at 31 December 2025, ahead of the Company's plan to reach 154 total US reps by the end of FY26. In addition, the Company progressed its product development efforts related to in-process projects.

In January 2026, Saluda attended the North American Neuromodulation Society (NANS) conference in Las Vegas, Nevada. The continued physician interest in the positive impact Saluda's Evoke® System is having on clinical outcomes for chronic pain patients was demonstrated by the quantity and quality of the scientific presentations at the conference, including 19 clinical abstracts and 5 oral presentations.

As announced on 22 December 2025, Saluda's next-generation EVA™ Sensing Technology also received CE certification for commercialisation in Europe with recognition of this approval in Australia. This follows FDA approval of EVA in December 2024. A limited commercial release in Europe and Australia will begin in Q3 of FY26, followed by a full commercial release later in the calendar year.

Lastly, as foreshadowed in the IPO prospectus, the Company communicated and executed a phased reduction in force of approximately 50 non-commercial full-time positions to support plans to reduce portions of the Company's future operating expenses. Moving forward, the Company estimates this will reduce its annual operating expense run rate by US$5-8 million.

FY26 guidance

Saluda reaffirms its previously increased FY26 revenue guidance of US$85.0 million (up from US$81.9 million as set out in the Company's IPO prospectus), reflecting 21% full year growth vs FY25. Driven by the impact of an anticipated increase in US trained sales reps in H2 vs H1, H2 revenue growth is expected to accelerate to 24% vs pcp in line with current guidance.

Given the Company's H1 performance together with progress made on key internal activities, the Company expects to exceed the FY26 full year IPO prospectus gross margin estimate of 45.9%. Additionally, while US sales rep hiring is ahead of plan, the Company also expects to deliver an improvement on the FY26 full year adjusted EBITDA IPO prospectus estimate of (US$114.7) million as well as the cash used in operations estimate of US$123.9 million within the IPO Prospectus.

Additional information

Please refer to the Appendix 4D and the financial report for H1 FY26 released today for additional information. These documents should be read in conjunction with this and each other document.

Investor webinar

Saluda will host an investor webinar to discuss its H1 FY26 results, today – Thursday, 26 February 2026 at 10.15am AEDT. The webinar will be hosted by Saluda's Chief Executive Officer, Barry Regan, and Chief Financial Officer, James Erickson. Register and/or access webinar replay via the link below:

https://us02web.zoom.us/webinar/register/WN_DDt7Ii7rQ--pbKhc684U6Q

This announcement has been authorised for release by Saluda Medical's Board of Directors.

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About Saluda Medical

Saluda Medical, Inc. (ARBN 691 140 360) is a commercial-stage medical device company focused on developing treatments for chronic neurological conditions using its novel neuromodulation platform. The Company's closed-loop, dose-control platform senses and measures neural responses to stimulation and automatically adjusts therapy based on real-time neurophysiological feedback. The Company's first product, the Evoke® System, is indicated as an aid in the management of chronic intractable pain of the trunk and/or limbs, including unilateral or bilateral pain associated with failed back surgery syndrome, intractable low back pain, and leg pain, and is designed to treat chronic neuropathic pain by providing spinal cord stimulation (SCS) therapy that senses and measures neural activation to optimize therapy and reduce patient and clinician burden. 12-month results from the EVOKE study, the first and only prospective, multi-center, parallel-arm, double blind, randomized controlled pivotal study with a voluntary crossover arm in SCS, that demonstrated clinically superior pain relief to open-loop therapy, were published in The Lancet Neurology, 24-month results were published in JAMA Neurology, and 36-month data, that demonstrated sustained pain relief, were published in Regional Anesthesia and Pain Medicine. To learn more, including risks and important safety information, visit www.saludamedical.com/us/safety/. Saluda and Evoke are registered trademarks owned by Saluda Medical Pty Ltd.

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