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Company Announcements Office
Australian Securities Exchange

Nanosonics business update

Nanosonics (ASX: NAN), a leader in infection prevention solutions, provides a business update in respect of the transition to a more direct sales model in North America and Q4 FY22 trading.

- **Transition to revised sales model in North America substantially completed successfully with significant proportion of all consumables sales now going through direct channel.**
- **North American new installed base increased by 2,650 units in FY22, up 11% on prior corresponding period with new installed base up 21% in H2 vs H1.**
- **In Q4 FY22 Nanosonics' expanded North American team sold 91% of all new installed base units.**
- **FY22 revenue expected to be reported at \$120.3 million¹, up 17% on prior year.**

Update on transition to North American revised direct sales model

The implementation to a more direct sales model has progressed positively with the transition of existing GE trophon customers in collaboration with GE substantially complete. Specifically:

- The majority of GE customers have or are in the process of transitioning to Nanosonics for the ongoing supply of consumables.
- Shipping volumes through the Nanosonics facility in Indianapolis are up over 100% compared with the pre-transition period, with no disruption in supply to customers and sufficient capacity in place to fulfil expected future growth.
- All planned new headcount (15) associated with the expansion of the direct operations now in place including new hires from the previous GE Healthcare High Level Disinfection team. Nanosonics North America team now over 100 strong.
- In Q4, the expanded Nanosonics Direct team sold 91% of the new installed base units.
- The number of upgrade units sold in H2 in North America was up 32% over H1. Of the upgrade units sold in H2, 63% were in Q4 with the Nanosonics team responsible for 86% of those sales.
- Nanosonics and GE have extended current Capital Reseller agreement for further 12 months from July 2022 enabling GE ongoing access to trophon capital equipment in North America.
- It is expected that the significant majority of future capital sales (both new installed base and upgrades) will continue to be made by Nanosonics.

FY22 Q4 Trading update

The Company expects to report revenue of \$120.3 million¹ for FY22, representing a 17% increase compared with FY21.

The global installed base grew 12% in FY22 to 29,850.

Full details of FY22 revenue and performance together with an R&D update will be released on 23 August 2022.

¹ Subject to audit.

“The strategic move to a more direct sales model in North America is now substantially complete with the expanded Nanosonics operation fully in place”, said Michael Kavanagh, Nanosonics’ Chief Executive Officer & President. “The collaboration between Nanosonics and GE has resulted in no disruption in the continuity of supply of consumables to customers. The intended benefits of this change are also coming to fruition with the Nanosonics direct team selling the significant majority of all new installed base during FY22 Q4 as well as driving upgrade adoption in the same period. While Nanosonics’ direct operations will be responsible for the significant majority of all capital sales and 100% of consumables sales moving forward, the capital reseller agreement with GE Healthcare has been extended for a further 12 months. Our respective teams continue to collaborate to ensure the infection prevention needs of customers and their patients are met.”

Michael Kavanagh
CEO / President

This announcement has been authorised by the Board of Directors of Nanosonics.

For more information, please contact:

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