



30 October 2025

CONNEQT HEALTH SEPTEMBER 2025 QUARTER UPDATE

Highlights:

- Pulse sales momentum maintained, with ~50 % quarter-on-quarter growth since launch.
- Annualised Pulse revenue run-rate exceeds US\$3.5 million (A\$5.4 million), reflecting expanding consumer traction.
- New Pulse pricing model launched post-quarter, reducing device price to US\$249 while introducing in-app report and Care+ membership purchase to maintain margins and expand access.
- 10,000 additional Pulse units ordered to meet forecast demand.
- Pulse named “Best Advanced Blood Pressure Monitor of 2025” by Yahoo! Health, reinforcing category leadership.
- XCEL software upgrade completed, adding subscription and usage-based pricing; first pilots commenced with sports-medicine and primary-care partners.
- Phase 2b U.S. clinical-trial contract secured (A\$1.1 million / US\$716,000) providing turnkey vascular-assessment services across 30 sites.
- Corporate rebrand completed from Cardiex Limited to CONNEQT Health Limited, unifying consumer and clinical businesses under one global brand.
- Closing cash of A \$2.7 million, including a A\$2 million Convertible Note Facility from C2 Ventures (subject to shareholder approval at an upcoming EGM).

Overview

Q1 FY26 marked an inflection point for CONNEQT Health. We transitioned from building foundations to accelerating growth across both consumer and enterprise markets. The systems, products, and infrastructure developed over the past year are now driving measurable traction, deeper engagement, and clear visibility into our next phase of expansion.

On the consumer side, we continued to advance our mission of bringing clinically validated arterial health insights into the hands of everyday users. We strengthened marketing performance, refined creative execution, and expanded our reach through earned media and influencer channels. Coverage in Yahoo! Health introduced CONNEQT Pulse to a wider audience, while digital campaigns delivered stronger returns and lower acquisition costs. The launch of in-app purchasing for the Cardiology Report and Care+

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membership plan was a major milestone that sets the foundation for recurring digital revenue and more personalized engagement with users.

Operationally, our fulfillment, support, and marketing systems have been fully integrated to create a seamless business platform that supports growth and efficiency. Customer inquiries more than doubled this quarter, yet our response times and satisfaction levels remained strong. These results confirm the strength and scalability of the systems we established in FY25.

Our enterprise business is evolving rapidly. We launched pilot programs for the new consumption-based model of the SphygmoCor XCEL and CONNEQT Cardiology Report, opening access to clinics that previously found capital equipment costs restrictive. This model transforms our relationship with clinical partners from a one-time hardware transaction to a recurring, software-driven partnership while also re-engaging our existing installed customer base.

We also deepened our presence in clinical research. During the quarter, CONNEQT progressed a U.S. Phase 2b clinical trial contract valued at A\$1.1 million (US\$716,000) to provide turnkey vascular assessment solutions across 30 sites, which was fully executed post quarter end. This agreement strengthens our position as a trusted partner in cardiovascular and hypertension research and demonstrates the versatility of our non-invasive hemodynamic technology across both clinical and research applications.

Looking ahead to Q2 FY26, we are focused on execution. In the consumer business, we are scaling engagement through holiday campaigns and in-app monetization through the Care+ membership program. On the enterprise side, we are completing pilot evaluations and preparing for commercial rollout. We are also advancing our regulatory strategy to broaden access and create a pathway toward over-the-counter clearance.

Every initiative we deliver moves us closer to a unified goal: to make advanced arterial health insights accessible to everyone, bridging clinical care and preventive health through a connected, data-driven platform.

Consumer Business (B2C)

Q1 FY26 was a quarter of momentum and measurable progress as we shifted from building foundations to scaling performance across marketing, product, and operations.

Marketing efforts accelerated. We optimized digital ads and website content to improve conversion and reduce friction, while our PR and influencer programs amplified brand visibility and credibility. Coverage in Yahoo! Health introduced CONNEQT Pulse to the broader wellness community, and influencer content across YouTube, Instagram, and TikTok reached more than 2 million followers in health, fitness, and



longevity segments. It typically takes around three months from device delivery to a published review, so campaigns initiated in late FY25 began converting this quarter, driving sustained awareness and third-party validation heading into the holiday season.

During the quarter, we strengthened internal capabilities to enable us to scale. We added a digital ads specialist and a customer service representative to enhance acquisition, retention, and post-purchase engagement. On the product side, our development teams completed a comprehensive front and back-end rebuild of the CONNEQT app, introducing in-app purchasing for the Cardiology Report and Care+ membership and delivering a more stable, intuitive experience for users. By quarter-end, in-app monetization development was complete and launched in early Q2 FY26, positioning CONNEQT for stronger engagement and recurring digital revenue growth.

These initiatives translated directly into performance gains. Revenue increased 66 percent quarter-on-quarter, return on ad spend improved 46 percent, cost per acquisition decreased 38 percent, and units sold grew at an 87 percent compound quarterly growth rate (CQGR) since preorders began in Q2 FY25. These results highlight sharper targeting, stronger creative execution, and a deeper understanding of consumer behavior that will continue to drive sustainable growth.

Market and Customer Insights

Our customer base continues to validate the strength of our go-to-market strategy. CONNEQT's core users are adults aged 45 to 75, with an average age in their 50s and 60s. This group aligns perfectly with our positioning as a premium preventive health solution. They have the disposable income, motivation, and long-term health mindset that make them ideal early adopters of credible, science-backed technology. Their engagement reflects both financial readiness and a deep personal commitment to managing cardiovascular health proactively.

This demographic alignment confirms that our initial focus on clinically validated, high-quality experiences is the right approach. As the platform grows, we are broadening our reach to younger, prevention-minded consumers through education, partnerships, and lifestyle-oriented messaging, while maintaining leadership among midlife health optimizers who value accuracy, credibility, and insight.

To further expand accessibility and align with how customers prefer to engage, we introduced in-app purchasing as part of our pricing evolution. Historically, the CONNEQT Pulse was offered at US\$350, including two bundled Cardiology Reports. With in-app functionality, we reduced the upfront cost to US\$249, allowing customers to purchase additional reports directly within the app via our Care+ membership. This model makes CONNEQT more approachable while maintaining healthy margins and driving recurring digital revenue.



Lowering the entry point while introducing flexible, usage-based options has expanded our addressable market and strengthened long-term retention. Customers now have control over how often they test and how they manage their ongoing health journey, reinforcing the shift from a one-time purchase to a sustained, engagement-driven relationship.

Operations and Customer Experience

Q1 FY26 focused on strengthening reliability, scalability, and customer connection as CONNEQT's operations expanded alongside higher sales volume. Team size remained stable at 35, concentrated in engineering, growth, and support functions, with resources aligned to improve speed, efficiency, and customer satisfaction.

We continued integrating our core business systems to unify how CONNEQT operates across fulfillment, support, and marketing. This effort is creating a single connected environment that consolidates customer data, order management, and campaign performance. Early results show better coordination across teams and faster decision-making as we move toward a fully integrated business platform.

Customer engagement grew in parallel with sales. Inbound support inquiries rose 253 percent quarter-over-quarter, averaging 16 per day, reflecting growing adoption and user interest. About 70 percent of inquiries were resolved by our AI support agent, which leverages a knowledge base built on both product information and the science behind our vascular health metrics. This automation allowed us to maintain fast response times and consistent service quality while freeing human support to focus on complex clinical or technical inquiries. The addition of a dedicated customer service team member further improved coverage and responsiveness.

Customers have also asked about updating the CONNEQT Pulse from micro-USB to USB-C. While USB-C has become the industry standard, any hardware modification to a regulated medical device requires comprehensive validation to ensure ongoing safety, electrical isolation, and power stability. We are evaluating this update carefully, balancing it against higher-impact priorities such as advancing the mobile app experience and expanding Pulse in new markets.

The structured customer feedback continuously improves the end-to-end experience across ordering, onboarding, and app interaction. These insights are driving new automation initiatives and design updates aimed at creating a more intuitive, consistent, and personalized user journey. In the near term, our focus is on optimizing the customer experience, and balancing team resources to deliver the highest-impact improvements.



Regulatory and Market Access

With TGA clearance now secured, and the in-app monetization of the CONNEQT app completed, we released the CONNEQT app in Australia in Q2. For the rest of the world, we are aligning regulatory approval with distribution and customer support infrastructure before expanding into additional international markets. Companion apps for regulated medical devices can only be listed in markets where the device and its associated claims are cleared, and this launch represents an important step toward broader global accessibility.

A key pillar of our consumer strategy is the long-term pursuit of over-the-counter (OTC) clearance for the CONNEQT Pulse. The FDA currently classifies the Pulse as a prescription (Rx) device for home use, as central blood pressure and arterial stiffness parameters - while clinically validated and referenced in thousands of peer-reviewed studies - benefit from physician oversight to ensure proper interpretation and clinical context.

The evidence required for OTC clearance focuses on real-world adoption and usage among clinicians and consumers at home. Through our cardiology-focused prescribing network, we bridge medical oversight for a customer base that ranges from individuals tracking their cardiovascular health over time to those seeking deeper insight into their heart health.

As consumer adoption expands and real-world data grows, our regulatory strategy follows a proven path. It's worth noting that AliveCor successfully advanced through a similar process, evolving from an Rx-only ECG device to an OTC product now available globally. We are taking the same disciplined, evidence-based approach to make clinically validated arterial health insights accessible directly to consumers worldwide.

Enterprise Business (B2B)

New U.S. Clinical Trial Contract

Post-quarter end, CONNEQT Health was awarded a Phase 2b clinical trial contract in the United States, further expanding its presence in cardiovascular research. The study supports the development of an innovative therapeutic focused on vascular health and blood pressure management.

The trial will commence on 31 October 2025 and operate across 30 sites over an expected nine-month period. Under the agreement, CONNEQT will provide turnkey vascular assessment solutions, including the SphygmoCor XCEL and Oscar 2 ABPM systems, along with comprehensive training, certification, data management, and quality oversight for all participating sites.



The contract, valued at approximately A\$1.1 million (US\$716,000), includes equipment leasing, operational support, and data-management services. This engagement reinforces CONNEQT Health's position as a trusted partner in next-generation hypertension and cardiovascular research, leveraging its proprietary non-invasive hemodynamic technologies to improve patient phenotyping, endpoint precision, and data reliability.

Clinical and Commercial Expansion

Since the launch of the Cardiology Report in the CONNEQT app, inbound interest from clinicians and practice owners has grown significantly. This demand reflects a broader shift toward integrating vascular health assessments into everyday care across cardiometabolic, primary care, and sports medicine settings. Clinicians increasingly recognize that arterial health insights complement traditional diagnostics and strengthen their preventive care programs.

Historically, adoption of the SphygmoCor XCEL was constrained by its US\$25,000 list price, which limited access for smaller and mid-sized clinics. To address this, CONNEQT began work in Q4 FY25 to integrate the Cardiology Report directly into the XCEL software and introduce a usage-based pricing model. This change makes the platform accessible to a wider range of practices while creating a predictable, recurring revenue stream for CONNEQT.

The first iteration of the updated software was completed in Q1 FY26, and pilot programs commenced this month. Early participants include a chain of sports clinics offering arterial health assessments alongside DEXA body-composition scans and a primary care group leveraging the Cardiology Report as a differentiator for patient engagement and preventive health.

Each pilot is designed to evaluate workflow integration, pricing flexibility, and clinical utility across diverse practice environments. The launch of this consumption-based model also enables CONNEQT to re-engage its existing XCEL customer base, offering new reporting functionality, enhanced software capability, and flexible pricing aligned with test volume and clinical demand. Feedback from these early deployments will guide final pricing tiers, subscription structures, and the commercial rollout planned for Q3 FY26.

Beyond validating the model, these pilots demonstrate the scalability of CONNEQT's core SphygmoCor technology and the transition of the enterprise business from one-time hardware sales to a software-enabled recurring revenue platform that extends CONNEQT's reach across the global clinical market.



Corporate Update

Cash and Expenditure

Cash receipts from customers for the quarter was \$0.84m, of which \$0.47m were for Pulse sales, and \$0.37m for ATCOR sales.

During the quarter, CONNEQT Health spent \$0.17m on product development and operating costs on new and existing products, a decrease of \$0.16m on the prior quarter expenditure of \$0.33m. R&D expenditure totalled \$0.40m, a decrease of \$0.28m on the prior quarter's expenditure of \$0.68m.

Administration and corporate costs totalled \$0.55m for the quarter, consistent with expenditure in the prior quarter.

Staff and employee benefits expenditure totalled \$1.73m for the quarter, a significant decrease from \$2.18m expended in the prior quarter.

Net cash used in operating activities for the quarter totalled \$2.62m, a decrease of \$0.36m on the prior quarter and is reflective of the substantial progress of the Company's operational restructuring by successfully centralizing its engineering and development teams from the U.S. and other offshore locations to Sydney. This initiative, along with other ongoing efforts to optimize and streamline global operations, has reduced the company's cost base to an annualized \$10 - \$12m (excluding COGS and marketing), approximately 30% lower than in the prior year. This reduction is evident in the Company's operational cash flows in the September 2025 quarter and is expected to continue to improve in future quarters.

Closing cash for the quarter was \$2.7m. Payments to related parties and their associates in the quarter were \$0.29m and all related to remuneration for services under existing services agreements.

Convertible Note Subscription Agreement

As announced on 1 October 2025, CONNEQT Health entered into a Convertible Note Subscription Agreement with C2 Ventures Pty Ltd (C2V), a Company owned by Directors Niall Cairns and Craig Cooper.

During the quarter, CONNEQT Health received \$2 million from C2V as a loan advance under the terms of this agreement. The loan is unsecured, and its conversion into Convertible Notes, as well as the issue of any shares upon future conversion of those Notes, will be subject to shareholder approval at an upcoming Extraordinary General Meeting (EGM).



Looking Ahead: Q2 FY26

In Q2 FY26, CONNEQT will focus on accelerating growth across both consumer and enterprise channels.

On the consumer side, we are preparing for the holiday season and scaling customer engagement through more targeted campaigns, enhanced automation, and advanced segmentation. With the addition of a new Email Marketing Manager, we are strengthening our capacity to deliver personalized communication that increases repeat engagement and lifetime value. Priorities for the quarter include refining in-app purchase flows, optimizing creative and messaging for seasonal campaigns, and leveraging insights from our integrated business system to attract and retain customers more effectively.

On the enterprise side, our focus is on completing pilot evaluations and refining pricing, subscription, and workflow models ahead of broader commercial rollout. We are actively re-engaging our existing XCEL customer base to transition them to the new consumption-based model, unlocking recurring revenue opportunities from our installed footprint. Feedback from pilot sites will drive product enhancements, sales enablement, and support infrastructure for wider deployment.

Across both channels, our initiatives are designed to deliver a strong holiday quarter, deepen customer relationships, and expand recurring revenue. The upcoming Phase 2b clinical trial will also reinforce CONNEQT's growing partnerships with leading research institutions and strengthen our position as a preferred technology partner in cardiovascular and hypertension studies.

Craig Cooper

Chief Executive Officer

Approved by the Board of Directors and Released by the Company Secretary

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ASX ANNOUNCEMENT



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About CONNEQT HEALTH

CONNEQT Health's mission is to increase longevity through medical technology advancements in vascular health. The Company's suite of products includes medical and home health devices and digital solutions for hypertension, cardiovascular disease, and other vascular health disorders - all based on the Company's market-leading SphygmoCor® vascular biomarker technology. CONNEQT Health is listed on the Australian Stock Exchange ("ASX: CQT").

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