



CORPORATE PRESENTATION

October 2021



- > SLEEP DIAGNOSTICS & TREATMENT
- > NEURO DIAGNOSTICS
- > BRAIN RESEARCH
- > ULTRASONIC BLOOD FLOW MONITORING
- > MEDICAL INNOVATIONS



Who is Compumedics?

A leading global, innovative developer and manufacturer of medical devices for:

Diagnosing
sleep disorders

Monitoring neurological
disorders including long-
term epilepsy monitoring
(LTEM)

Highly sophisticated
brain research

Ultrasonic monitoring of
blood flow through the
brain (Transcranial
Doppler [TCD])

A technological leader in its chosen markets:

#1 Australian sleep &
neuro diagnostics device
supplier

#1 Japan sleep
diagnostics device
supplier

#1 China sleep
diagnostic device
supplier to premier
facilities & #1 TCD
device supplier

#3 USA sleep diagnostic
device supplier and
emerging #3 supplier for
neurological monitoring
devices

- FY21 Revenues up 2% to \$35.7m, FY19 underlying EBITDA up 13% to \$2.6m.
- FY22 Guidance not given due to the ongoing uncertainty caused by the impacts of the COVID-19 pandemic on our markets around the world.
- 130 employees across seven locations, Melbourne, Australia (Head Office), Charlotte, NC, USA, Hamburg, Dresden and Singen, Germany, Paris, France and Daejeon, South Korea.
- Compumedics listed ASX Dec 21, 2000. CMP has market capital of around \$70m.

FY2021 – Performance Review

- Revenue \$35.7m, EBITDA \$2.6m, NPAT \$1.0m

	FY21	FY20	Variance	Comment
Revenue	\$35.7m	\$35.1m	2%	Revenues stabilised and resumed growth as COVID-19 impacts lessened as FY21 progressed.
EBITDA – underlying EBITDA – reported	\$2.6m \$2.6m	\$2.3m \$(5.6)m	13% n/a	Underlying profitability improved as sales increased and tight cost control remained. In FY20 reported profitability was impacted by a once-off \$7.7m write-down of intangible assets.
NPAT – underlying NPAT – reported	\$1.0m \$1.0m	\$1.8m \$(5.8)m	(44)% n/a	Underlying NPAT fell primarily as a result of a smaller tax benefit in FY21 compared to FY20. In FY20 reported NPAT was impacted by a once-ff \$7.7m write-down of intangible assets, which also impacted the tax expense/benefit in FY20.

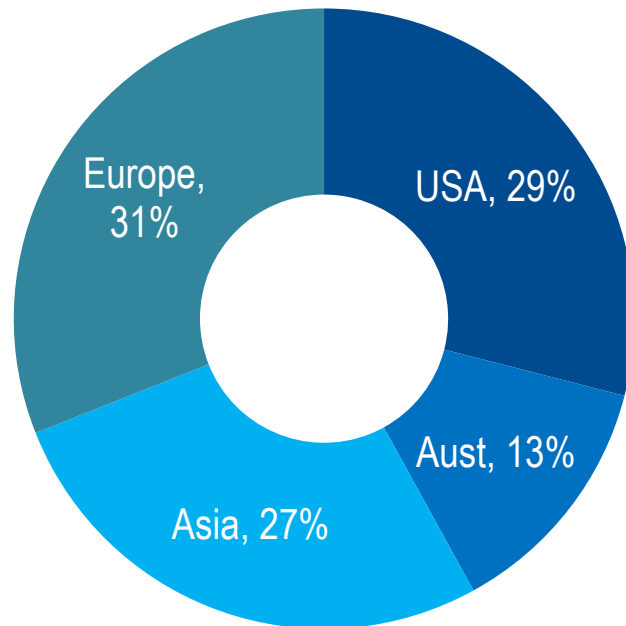
FY2021 – Performance Review

- Core: Europe rebounded well in FY21 with revenues increasing 49% over the prior period, this was driven by revenue increases in France, Germany and the DWL business.
- Core: Increases in Europe were off-set by declines in the USA based business, down 17% and Asia (including Australia) down 6% mostly in China with Australia performing in line with FY20. The declines in the USA and Asia were impacted by the strengthening AUD to the USD during FY21.
- Core: Profitability (EBITDA) improved as a result of the increase in sales as COVID-19 impacts abated. This was coupled with improved margins 54% in FY21 compared to 51% in FY20 and ongoing cost containment and efficiency gains in the operations of the business.
- MEG growth initiative: The second phase of the first MEG sale to Barrow Neurological Institute in Phoenix, AZ, USA, was scheduled for H2 FY20 but has been delayed by restrictions around COVID-19, currently targeting early 2022 completion. Further MEG opportunities identified with discussions on-going.
- eHealth growth initiative – 56 customers, with over 350 beds in US and Australia secured for Nexus 360 (professional application), which generated \$1.1m of revenues in FY21 (COVID impacted due to lab closures).
- Somfit (consumer application) product development progresses with COVID-19 multi-modal capability applications currently being pursued alongside existing targeted applications.

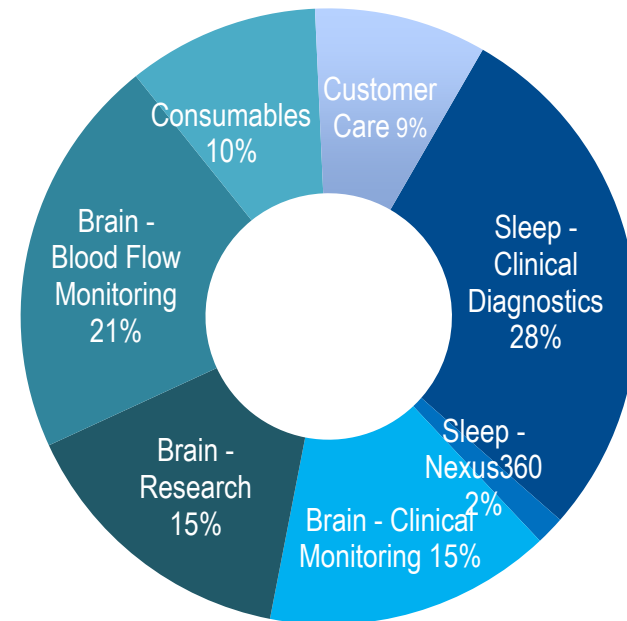
Revenue Composition at \$35.7m

30 June 2021

By geographic region



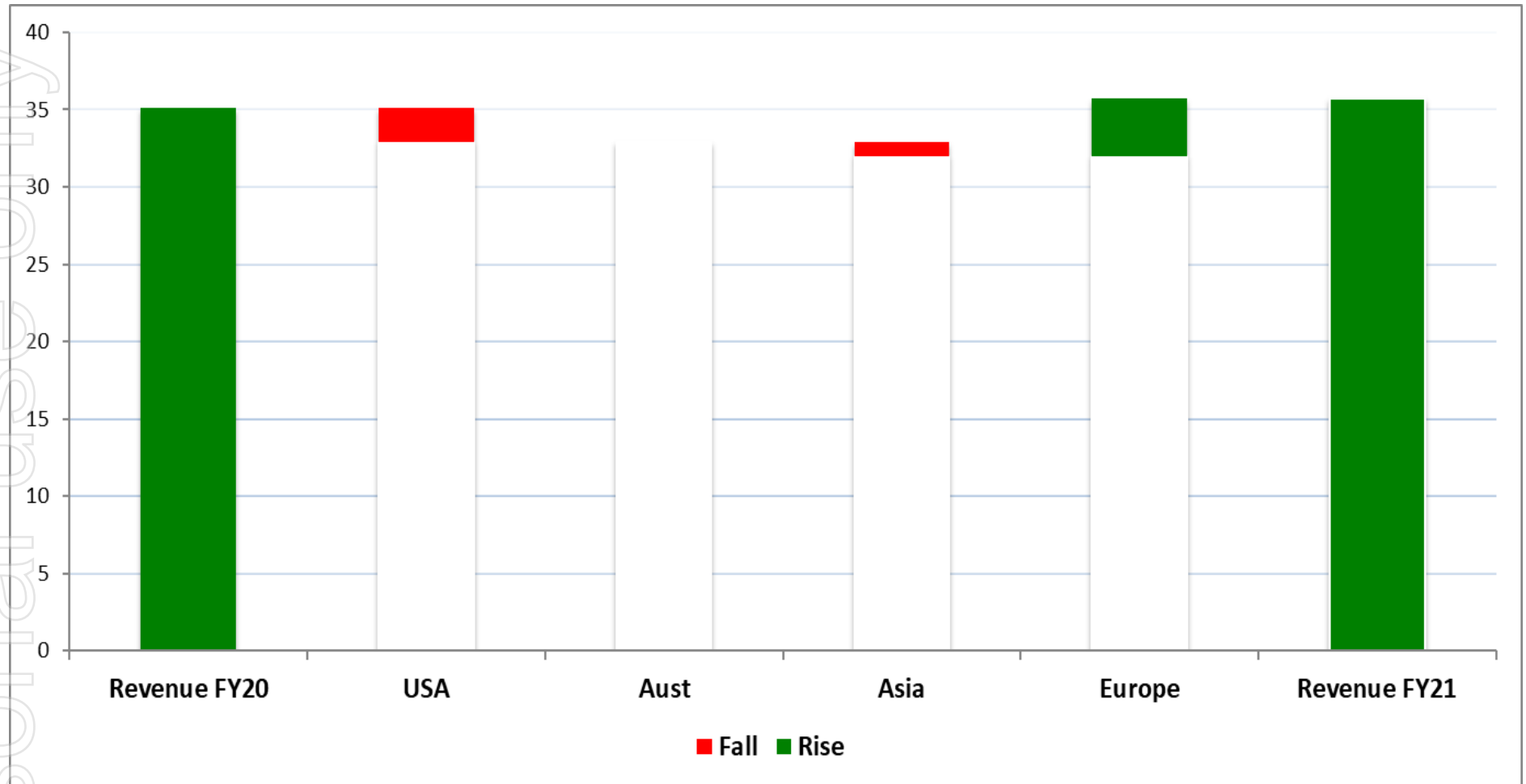
By product/market



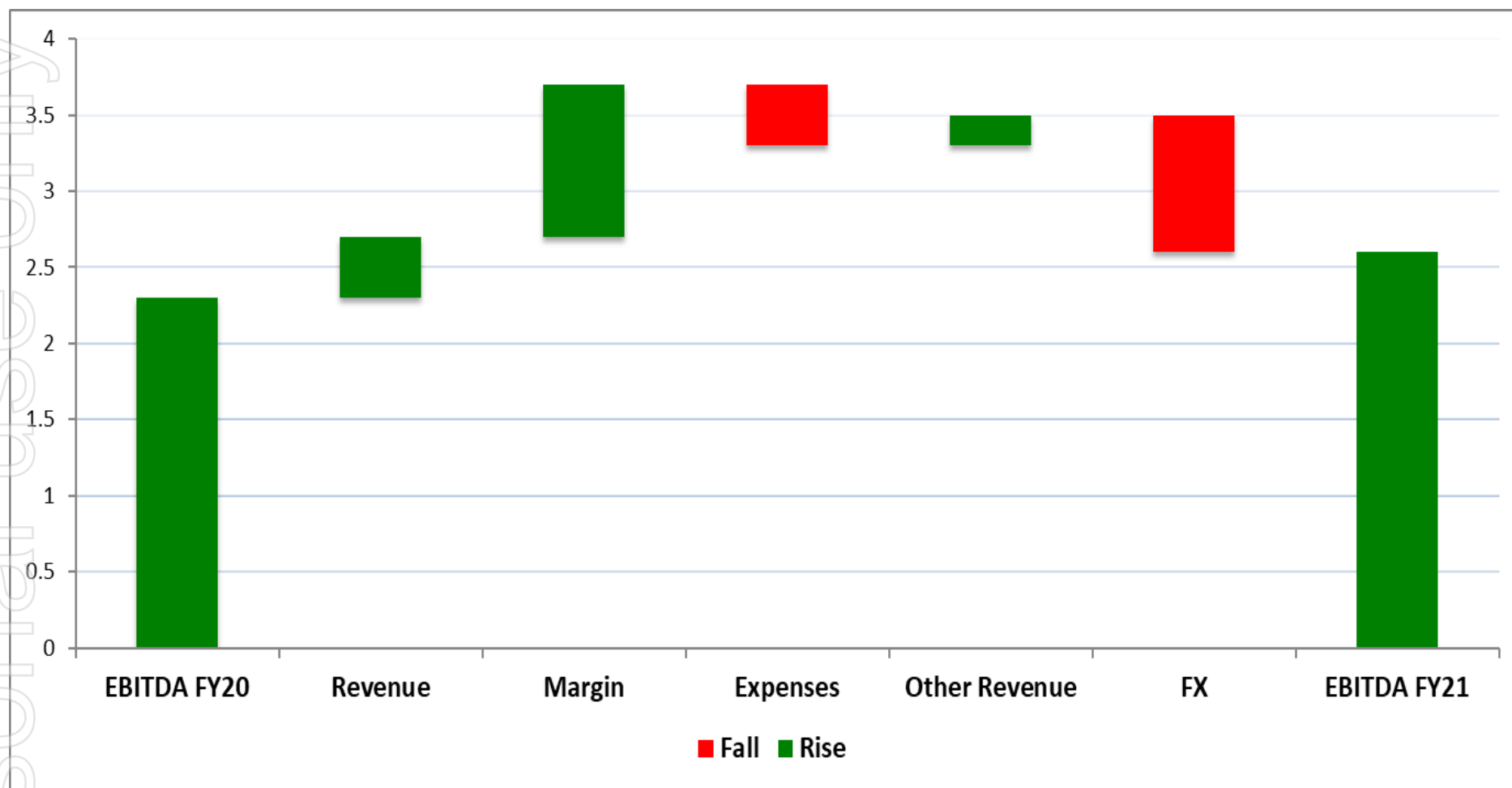
Software upgrades 5 to 10% of system revenues. MEG included in Brain – Research

Compumedics sells directly to end-user customers in Australia, USA, France and Germany and through its network of more than 50 distributors to all other parts of the world

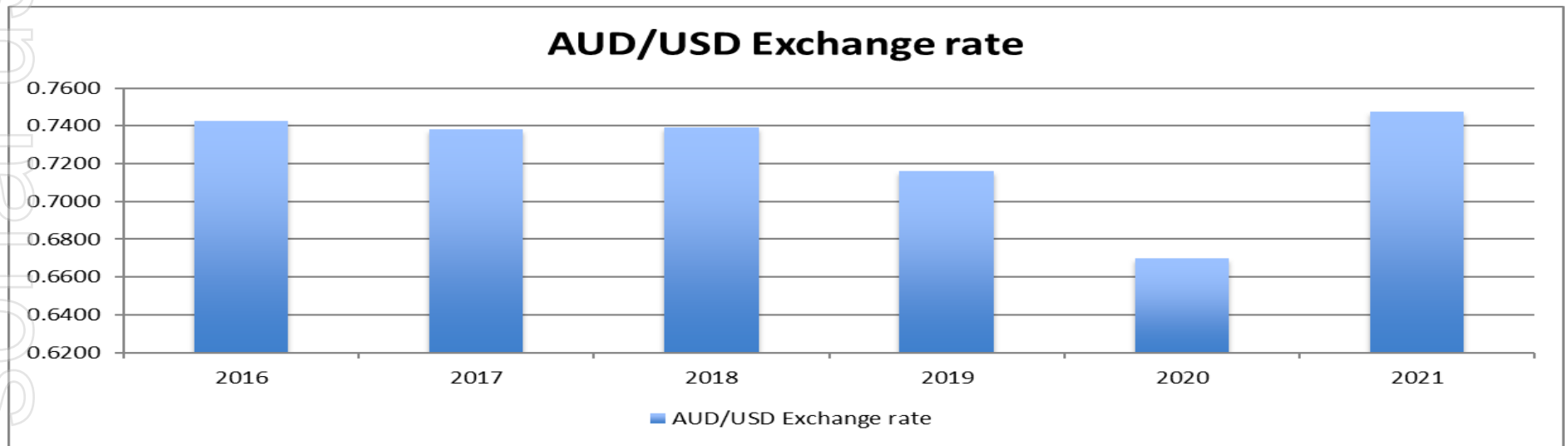
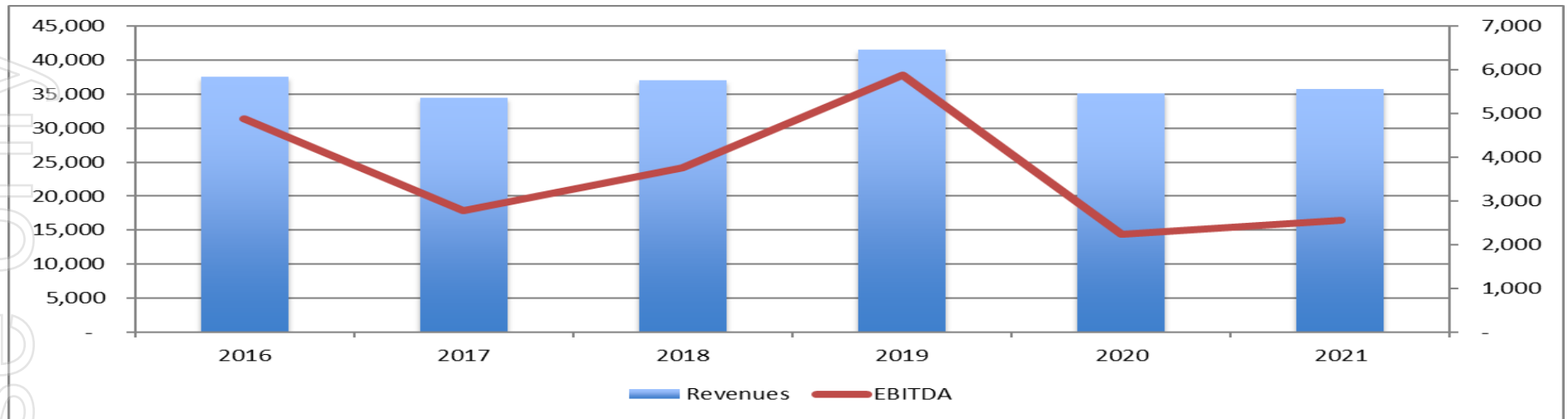
Revenue Bridge Chart – FY20 to FY21



EBITDA Bridge Chart – FY20 to FY21



Core Business – COVID-19 impacts absorbed, profits continue



Core Business – Consistent Net Cash Position

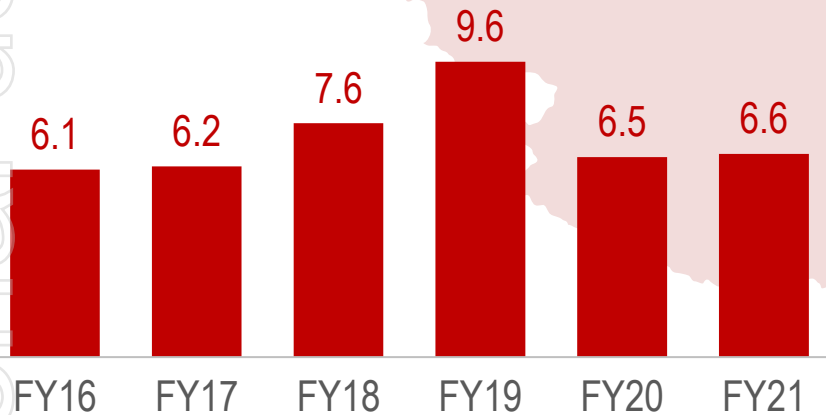
\$m	FY16	FY17	FY18	FY19	FY20	FY21
Cash	3.1	4.1	3.9	4.6	6.4	6.8
Trade receivables	11.9	13.1	18.3	16.0	12.6	13.0
Inventories	6.5	7.4	7.6	7.8	8.8	9.7
Capitalised R&D	2.4	2.4	4.0	6.8	2.8	4.1
Tax asset	0.5	0.8	0.1	0.0	0.8	0.8
PP&E	0.8	0.7	0.7	1.7	1.5	1.0
Other	0.9	0.7	0.0	1.8	2.6	3.2
Assets	26.1	29.2	34.7	38.7	35.5	38.6
Trade creditors	4.1	4.2	5.1	4.4	3.8	5.4
Borrowings	2.6	0.7	1.9	1.6	3.0	5.0
Deferred Revenues	2.0	1.6	1.7	1.4	2.1	2.0
Other/Deferred Tax	2.8	2.7	2.7	4.0	4.8	4.0
Total Liabilities	11.5	9.2	11.5	11.4	13.7	16.4
Net Assets	14.6	20.1	23.2	27.3	21.8	22.2
<i>Net (Cash)/Debt to Equity</i>	<i>(3)%</i>	<i>(17)%</i>	<i>(9)%</i>	<i>(11)%</i>	<i>(16)%</i>	<i>(8)%</i>

China - We are the number 1 Premier Supplier

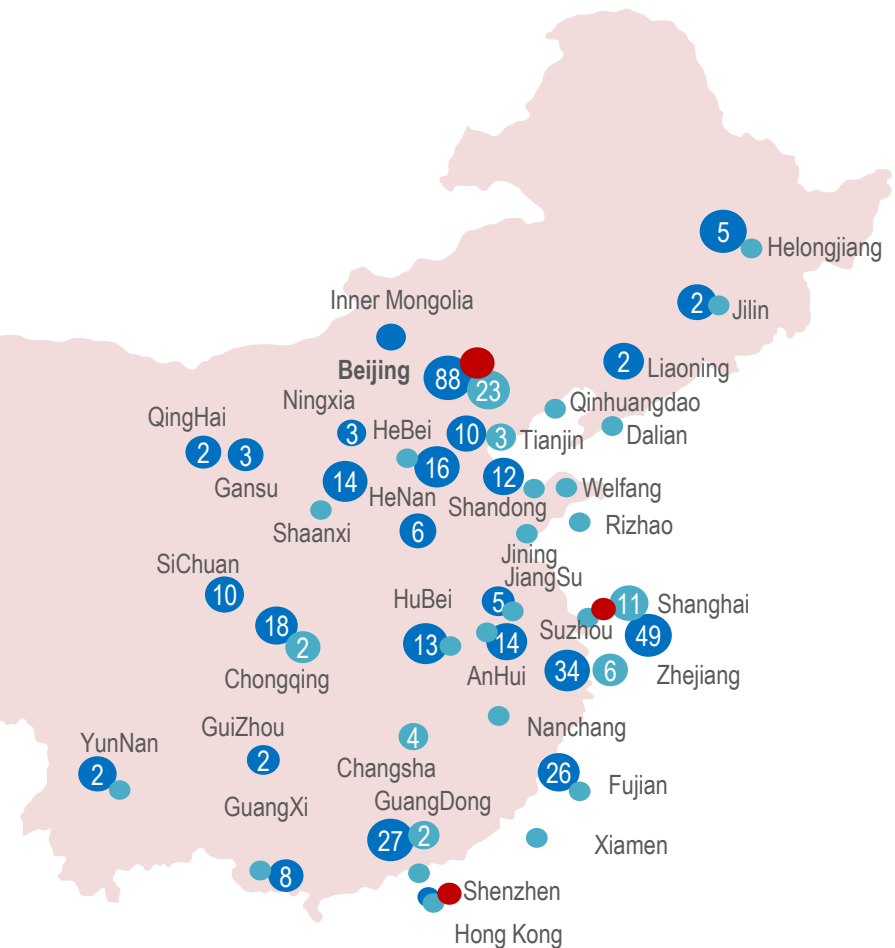
Compumedics Clients in China

- Sleep
- Neuroscience
- Neuroscan

China Sales (invoiced) – USD's

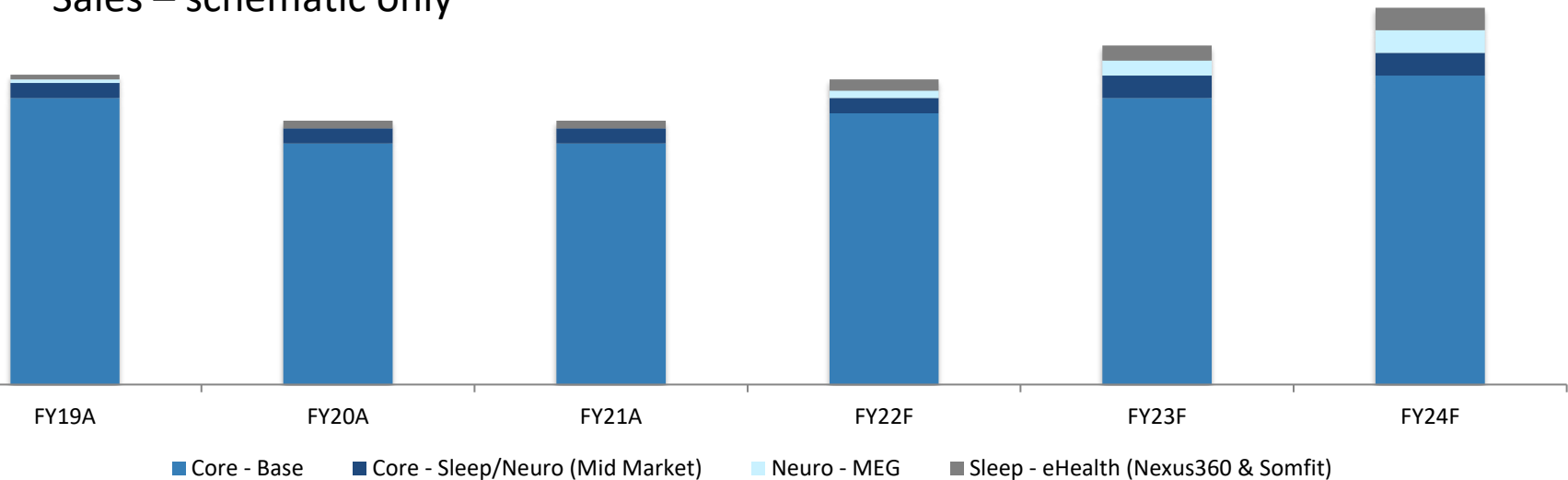


Challenges to continue in FY22



Growth Platform – Core and Step-Out

Sales – schematic only



- **Step-out - NEURO – BRAIN IMAGING** – First phase installation at Barrow Neurological Institute in Phoenix, AZ, USA has been undertaken and the second and final phase, which continues to be COVID-19 delayed, is currently planned for FY22. It confirms that we can transition from a USD30k software sale to a USD3.5m complete system sale. Additional sales opportunities being actively pursued.
- **Step-out - SLEEP - CLOUD GROWTH** – Nexus 360 cloud-based professional sleep diagnostic solution sold to more than 56 customers in US and Australia and generated revenues of about \$1m in FY21 (COVID-19 impacted as some labs temporarily closed). Annual contracted fees now over \$1.5m. Somfit development and discussions continue, including as a multi-modal COVID-19 monitor.

*MEG = Magnetoencephalography

Core Business – Premium Focus

	Sleep Diagnostics	Neuro Diagnostics – Clinic	Neuro Diagnostics - Research	Brain Blood Flow Diagnostics
Global market – USD pa	250m	1,300m	20m	15m
Compumedics market share (approximate)	6%	<1%	30%	35%
Compumedics market position	Aust – 1 USA – 3 China - 1	Aust – 1 USA – 3 China - 1	Aust – 1 USA – 1 China – 1	Aust – 1 USA – 2 China – 1 Germany – 1
Business and product type	Capital equip – hardware and software	Capital equip – hardware and software	Capital equip – hardware and software	Capital equip – hardware and software
Annuity revenues – ~ % of total – supplies & support	15%	10%	5%	5%

Core Business - Growth Drivers



Compumedics/Neuroscan innovative brain analysis software and high-performance amplifiers are unrivalled world class technology.



We have about 23,000 systems installed worldwide. Strong reputation and brand name. Customers like buying from Compumedics.



Earnings initiatives to continue to flow through in FY22 – FY23. New range of ambulatory products for sleep and neurology releasing FY22.



USA business still a key area of growth focus, with seeking and retaining key staff an ongoing priority.



Continued expansion into untapped German market and ongoing growth in France and other parts of Europe.



Continuing growth in Asia, including China, in sleep diagnostics. Emphasis on the neuro diagnostic and monitoring market growth in Japan.



Ideally positioned to accelerate organic growth and value realization as the pandemic abates

Core Business: New products > New markets

Falcon HST

- A new generation of home or professional user experience for the home sleep testing market. Compumedics regulatory phases have now advanced to enable market release activities for this new device
- Will fully integrate with Compumedics existing Nexus 360 platform, our existing digital health platform for users and professionals alike
- There are up to 54m patients in the USA who suffer from OSA and the process for diagnosis has been lab or sleep centre focused, with significant bottlenecks, compounded by the pandemic. Home sleep testing provides a simpler path to initial screening compared to traditional methods and is reimbursable
- Falcon HST will enable Compumedics for the first time to fully participate in this fast growing market segment



Core Business: New products > New markets

Falcon HST – market drivers

- The market opportunity (estimates to assist OSA sufferers) – USA 54m people, USD2.7b pa, Europe 66m people, USD 2.6b pa, Asia 77m, USD1.9b pa
- 26%1 of adults worldwide, including 54M in the US alone, suffer from sleep apnea. About 80% of adults in the US are undiagnosed
- Co-morbidities with OSA 2 times increased risk of stroke, 2 times risk of death from sudden cardiac arrest, 5 times risk of death from cardiovascular disease and 42% increased risk of recurrence of atrial fibrillation following ablation
- HST studies likely to grow to 50% of total sleep testing market from just 22% pre-pandemic



Core Business: New products > New markets

Okti

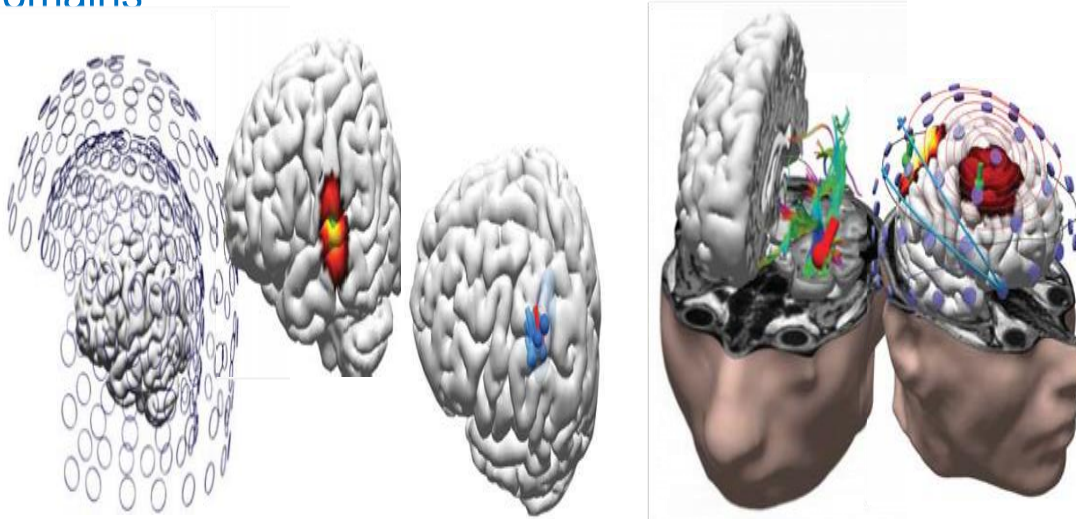
- Best in class ambulatory, home or clinical EEG monitoring device, scalable from 32 channels up to 256 channels for routine EEG monitoring through to long-term epilepsy monitoring, including high density EEG capabilities
- Can be combined with Compumedics leading digital health platform Nexus 360 platform for fully integrated data, analysis storage and lab management
- Traditional capital equipment EEG market in the US estimated at approximately USD400m pa. Okti gives Compumedics a compelling advantage to convert customers and grow our existing market share to a more substantive market share



Core Business: New Products > New Markets

CURRY 9

- Compumedics class leading brain analysis software includes spike/seizure detection routines for the first time, incorporating artificial intelligence machine learning algorithms, enabling clinicians to quickly isolate epileptogenic activity
- No other package on the market provides the comprehensive feature set found in CURRY 9 including the ability to export results via DICOM to robotic surgical instruments (e.g. ROSA), coupled with the ability to record and analyse evoked potentials, popular in both clinical and research domains



Next Generation Growth – Core *and Step-out*

	Sleep Diagnostics	Neuro Diagnostics – Clinic	Neuro Diagnostics - Imaging	Brain Blood Flow Diagnostics
Next generation growth platform	Cloud based sleep diagnostic platforms for both professional and consumer applications	Long term epilepsy market penetration into US, Europe and Asia	Leverage CURRY software into full MEG solution with KRISS	Leverage existing TCD technology and patent to Traumatic Brain Injury (TBI) application
Market potential	Professional application > USD3bn pa <i>Consumer application > USD50bn pa</i>	Greater than USD100m pa	Research only USD100m pa <i>Brain Imaging >USD4bn pa</i>	Estimated cost of TBI's in the US alone greater than USD76bn pa
Business type	Services – fee per service	Capital equipment – bigger market	Capital equipment & Partnership – new market	Mixture of equipment and service fees

Step out 1 - Brain Imaging:

Opportunity

CMP's CURRY brain analysis software is already the gold standard for the MEG* market
MRI** is too slow to capture dynamic brain activity needed for alzheimer's et al

CMP's agreement with KRISS provides access to a new and superior hardware platform

Compumedics can access a complete MEG sale (circa USD3 to 4m each) as opposed to the USD30k software sale

Market & Competition

The MEG market is currently estimated at about 20 systems a year at an average selling price of USD4.0m each = US\$80m/annum

This is expected to grow about 10% a year, excluding China

It is estimated that China could more than double the existing market size to about 50 units a year

The dominant existing player is Elekta, based out of Sweden, followed by Yokogawa (Japanese market) and CTF MEG (a much smaller player)

Plan

FY22 – second and final phase of MEG installation undertaken at BNI (COVID-19 delay)

FY22 – Secure second MEG sales

Outcome

FY19/FY20 CMP has sold and partially installed 1 MEG systems

H2 FY20 – gained FDA for MEG in US for clinical application

CMP expects to sell at 1 and possibly 2 MEG systems in FY22

CMP expects to double sales by FY24 to 2 to 4 MEG systems



*MEG = Magnetoencephalography

**MRI = Magnetic resonance imaging

Step out 2 - eHealth – Cloud Sleep Diagnostics

Nexus 360 (professional cloud sleep diagnostics) sold to more than 56 customers in the US and Aust. sites with over 350 beds and generated revenues of about \$1m in FY21.

COVID-19 impacts expected to abate over FY22 and revenue growth to return

Operational systems have been developed for the cloud-based capture, transfer and translation of medical grade sleep parameters from any web-enabled device. The system can then store, analyse and interpret that data in a simple and actionable manner, reducing the need for on-site professionals.

Compumedics is continuing to seek appropriate third parties to expedite the process and take the Somfit consumer device to targeted market opportunities, including as a potential multi modal COVID-19 monitoring device.

Key partners being pursued include web, telco, eHealth, consumer health/ electronics providers and device manufacturers.



Directors & Executive Team Key Management



Mr Tucson Dunn
Non Executive Director
CMP Tenure 12 months



David Burton, Ph.D.
Executive Chairman, CEO
Founder, Tenure 32 yrs



Mr. David Lawson
Chief Financial Officer
& Company Secretary
CMP Tenure 20 yrs



Mr. Warwick Freeman
Chief Technology Officer
CMP Tenure 26 yrs



Kerry Hubick, Ph.D.
Trademark, Patent &
General Legal Attorney
CMP Tenure 11 yrs



Mr. Christoph Witte
General Managing Director
Compumedics Germany GmbH
CMP/DWL - Tenure 29 yrs

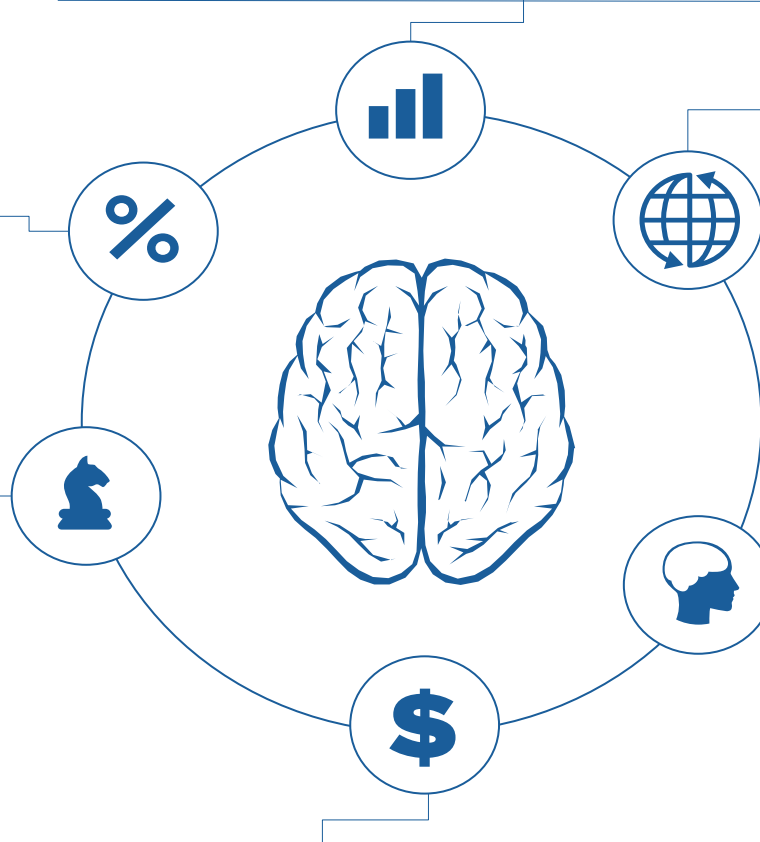


Investor Summary

Core business profitable with on-going growth opportunities in key global markets

Compumedics remains committed to continuing to deliver superior returns to shareholders

Spin off/strategic decisions to unlock significant value, provide funds for growth and potentially capital returns to shareholders



International sales force expansion, neurology and sleep market opportunity and earnings improvement initiatives to continue to drive growth of core business

Brain imaging and e-Health are the next steps Moving 25+ years and \$100m+ in cumulative R&D to a modern platform to solve massive and growing problems of neuro imaging in clinic and sleep disorders in the home

FY22 guidance: Guidance not given due to the ongoing uncertainty caused by the impacts of the COVID-19 pandemic on our markets around the world.

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Thank You



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