



'Defining *Life's* Signals'

ANNUAL 20 REPORT 21

Somfit

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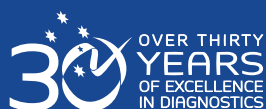
30 OVER THIRTY
YEARS
OF EXCELLENCE
IN DIAGNOSTICS

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

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‘Defining *Life’s* Signals’



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Compumedics Limited
ABN 95 006 854 897

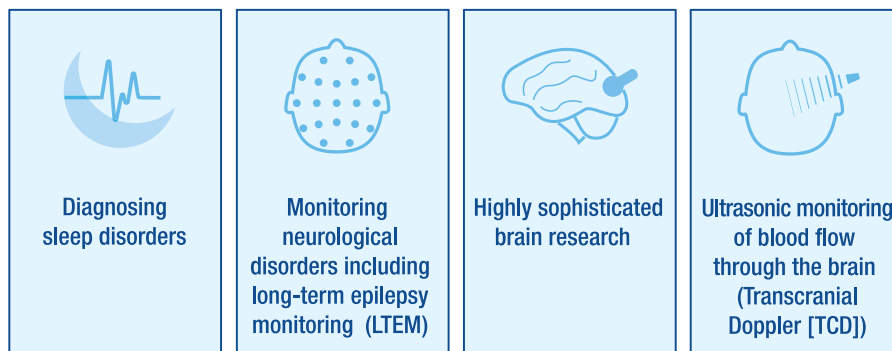
Annual General Meeting

Thursday, 28th October, 2021
at 10.30am

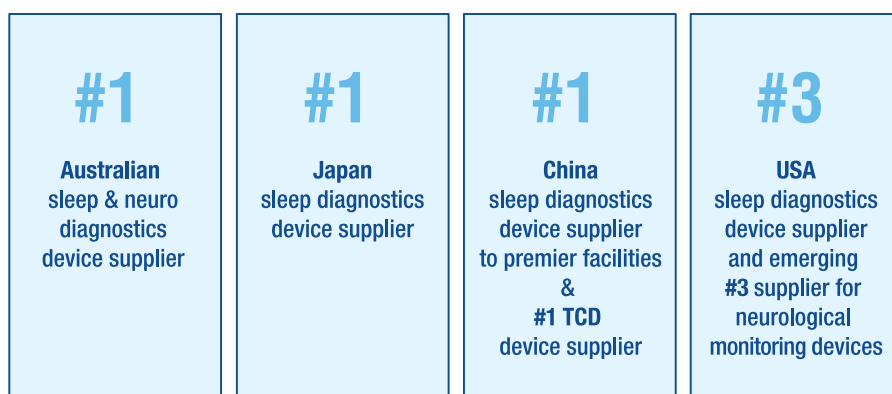
To be held at:
Compumedics Limited
30-40 Flockhart Street Abbotsford
Victoria 3067 and Virtually

Who is Compumedics?

Compumedics is a leading global, innovative developer and manufacturer of medical devices for:



Compumedics is a technological leader in its chosen markets:



Since 1987 Compumedics has grown into a company:

- with 130 employees across seven locations, Melbourne, Australia (Home Office), Charlotte, NC, USA, Hamburg, Dresden and Singen, Germany, Paris, France and Daejeon, South Korea.
- which listed on the ASX on Dec 21, 2000.
- that has generated about \$700m in revenues since listing of which over \$580m have been export revenues.

All \$ = A\$ unless otherwise specified

FINANCIAL SUMMARY

ALL FIGURES IN A\$M UNLESS OTHERWISE STATED

	TREND	2021	2020
Revenue for continuing operations	↑	35.7	35.1
Earnings before interest, income tax, depreciation and amortisation (EBITDA) (underlying)	↑	2.6	2.3
Net operating profit after tax (NPAT) (underlying)	↓	1.0	1.8
Research and development costs as a percentage of operating revenue	↑	12	11
Total assets	↑	38.5	35.5
Shareholders funds	↑	22.2	21.8
Net tangible assets per share (cents)	↓	9.7	10.3
Weighted average number of shares (million)	—	177	177
Earnings per share (basic) (cents)	↑	0.6	(3.3)
Earnings per share based on earnings before interest, tax, depreciation and amortisation (cents)	↑	0.6	(3.3)

- The FY21 net profit after tax (NPAT) was down to AUD1.0M compared to AUD1.8M for the FY20. Earnings before interest, tax, depreciation and amortisation (EBITDA) (underlying) was AUD2.6M compared to AUD2.3M for the FY20.
- Revenues shipped and invoiced increased by 2% to AUD35.7M over the previous financial year. Sales orders taken were constant at AUD35.3M, for the core business compared to the previous financial year. The increase in revenues primarily reflects the gradually improving environment as the effects of the pandemic on the business abate.



David Burton, Ph.D.

*Executive Chairman and Chief Executive Officer
Compumedics Limited*

Dear Compumedics investors, colleagues and business partners,

On behalf of the Board, management and the Compumedics team, I present to you the following highlights in the results contained within the Compumedics 2021 Annual Report. I would also like to take this opportunity to extend our thoughts of care and sympathy to all those who have suffered or been adversely impacted during this all-enduring COVID-19 pandemic.

Whilst our company's growth has been temporarily restrained by the pandemic lockdown, travel and other restrictions, we remain well-positioned to rebound. In fact, a suite of new services and products incorporating substantial advancements, across our core and new breakout businesses, provide an ideal basis for accelerated commercial activation focus and investment over the coming year and beyond. We are already recruiting key executives across key strategic growth areas, such as digital eHealth services and products.

Revenue increased 2% to \$35.7m for the year ended 30 June 2021, whilst net profit after tax (NPAT) on an underlying basis was

down 44% to \$1.0m compared to \$1.8m for FY20. Earnings before interest, tax, depreciation and amortisation (EBITDA) on an underlying basis were up 13% to \$2.6m compared to \$2.3m for FY20. The focus on performance continues, even whilst maintaining a strong investment on key breakout growth opportunities including Compumedics Orion LifeSpan™ MEG system and Somfit® sleep-health platform. Additionally, a strong ongoing focus on quality and efficiency improvements across all operational areas of the business continues to be a priority as we move through the impacts of the COVID-19 pandemic.

Cash on hand increased to \$6.8m for FY21, compared to \$6.4m for FY20. Debt levels increased to \$5.0m compared to \$3.5m for FY20. In addition, substantial ongoing investments in the form of research and development (R&D) continued in the core neuro and sleep diagnostics business, together with strong commercial activation advancement across both new Orion LifeSpan™ MEG system and Somfit® sleep-health business divisions.

KEY PERFORMANCE MEASURES

✓ **NEXUS™ 360**
CLOUD CLINIC
SERVICES STRATEGY

56 CUSTOMERS
NEXUS™ 360
▲ 37%

ORDERS TAKEN
(CORE BUSINESS)
— \$35.3M

REVENUE
▲ \$35.7M
UP FROM \$35.1M IN FY20

✓ **SOMFIT™**
CONSUMER SLEEP DEVICE
COMMERCIALISATION
ACTIVITIES ADVANCE

350 BEDS
NEXUS™ 360
▲ 30%

NET PROFIT AFTER TAX
(UNDERLYING)
▼ 55%
\$1.0M in FY21 vs \$1.8M in FY20

CORE BUSINESS* EBITDA
▲ \$4.7M
\$4.7M in FY21 vs \$3.6M in FY20

✓ **FIRST MEG**
INSTALLATION
PROGRESSING

126,000 CLOUD STUDIES
NEXUS™ 360
126K+

EBITDA
(UNDERLYING)
▲ 13%
\$2.6M in FY21 vs \$2.3M in FY20

CORE BUSINESS*
NET PROFIT AFTER TAX
▼ \$3.1M
\$3.1M in FY21 vs \$3.7M in FY20

*Excludes Medical Innovation Strategic Investments

Further underscoring the strength of the core business profitability, over \$3.1m was invested in next-generation growth platforms (medical innovations) including the new magnetoencephalography (MEG) neuroimaging business, eHealth Nexus™ 360 secure Web-based in-home or Laboratory Health Management System (Nexus™ 360), and Somfit® sleep-health platform, positioning Compumedics for ongoing growth coupled with significant upcoming business realisation opportunities.

A number of key milestones and positive outcomes were achieved during the 30 June 2021 (FY21) financial year. In particular, whilst travel and access to strategic locations was restricted due to ongoing pandemic conditions, substantial progress was achieved across a new suite of service and product release preparations.

Gross margins increased from 51% in FY20 to 54% in FY21, largely due to the increase in sales volumes, and still positively impacted by our strengthened operational management team and reinvigorated drive to continue efficiency improvements throughout the organisation.

The balance between protecting our shareholders' investment, whilst providing the most expeditious pathway to a number of significant short and medium-term breakout value opportunities remain our strategic focus.

OPERATIONS

Solid Underlying Financial and Operational Performance.

Compumedics continues to focus on its core strategy and operational execution, with a range of ongoing and new operational productivity and business growth initiatives. Moreover, the company has continued to maintain its underlying profitability and cash management, providing an opportunity for stronger investment and sharpened focus over the year ahead, with the abatement of the current pandemic restrictions.

A strong and proven foundation to accelerate new-level value-realisation

With the convergence of a number of factors, comprising of a range of new generation services and products leading the way for patients and users experience in the clinic, home or out and about, Compumedics will be combining its track record and proven foundation with a strengthened commercialisation focus as we expand our market penetration over the year ahead and beyond. An example of imperatives driving this "post-pandemic" reinvigorated commercial activation plan include our existent and proven infrastructure and track record. Accordingly, Compumedics customer service has now evolved into a global 24-7 help-desk function, which can be rapidly expanded to accommodate our new Digital eHealth commercial activation programs. Additionally, other drivers include our strong balance sheet, and growth outlook. As noted elsewhere, the comprehensive array of products coupled with ongoing service and operational improvements underpin the growth and credentials driving our core and new business initiatives, moving forward.

Proven and Established Quality Industry Leading MedTech Company with Strong Balance Sheet and Sound Growth Strategy

- **Compumedics is a leading designer**, manufacturer and supplier of sleep, neurology, and Doppler blood flow products and services, with around 25,000 systems installed and about 1,500 devices sold annually for \$9k to \$25k. Additionally, about 50,000 digital eHealth sleep or neurology secure cloud services are provided each year, along with strong, customer support, consumables and software upgrades.
- **Compumedics owns US based Neuroscan and Germany based DWL® Elektronische GmbH.** In conjunction with these two subsidiaries, Compumedics has a broad international reach, including the Americas, Australia and Asia Pacific, Europe and the Middle East.
- **Compumedics is a quality Company** with a proven and well-established track-record of premium medical solutions across a large portion of the world's finest hospitals, Universities, and home monitoring services.
- **The Company has over \$35m sales per year with 80% exports.** The company has a long legacy of a strong balance sheet with low debt, positive cashflow and underlying business profitability. This contributes towards ongoing strategic execution focus and certainty, along with the ability to drive growth of our core business and further accelerate commercialisation of our major step-out businesses.
- About \$700 million of medical systems have been shipped from Compumedics, since listing on ASX.

A strong and proven foundation to accelerate new-level value-realisation

- **Compumedics recognition** includes Australia's overall exporter of the year award, acknowledgment as a top 100 innovator by both German and Australian Governments, induction into the Victorian hall of manufacturing, the Clunies Ross award, and the Prime-minister Centenary medal.
- **Compumedics have equipped** a large proportion of the world's finest clinics, hospitals and universities including Mayo, Stanford, Yale, Albert Einstein, Harvard, Beijing, Shanghai, Peking, Tokyo, Melbourne, Sydney, Oxford, Cambridge, two NASA contracts (Space Shuttle and Space Station Missions), and even the Vatican, along with the USA NIH-funded largest home-based study of its kind being the 14,000 patient Sleep Heart Health Study (SHHS).

Compumedics Key Clients



Compumedics Awards



5
6

Growth Outlook in Core Neuro and Sleep Diagnostics Business Sectors

Compumedics business growth is under-pinned by continued high demand for sleep and neurology equipment and services, driven by the continued prevalence of the corresponding health disorders. For example, neurological diseases are disproportionately affecting older adults and costs are expected to increase exponentially in coming years, as the elderly population doubles by 2050. Additionally, in terms of prevalence of disorders applicable to our monitoring systems, reports indicate that up to 10 percent of people will have a seizure

at some time in their life, and 1 in 26 people will develop epilepsy. Moreover, there are 84 classified sleep disorders with the most common including insomnia with a prevalence of about 30% and sleep disordered breathing with a prevalence of 20%.

Compumedics major upcoming step-out business opportunities cover a number of large and new emergent market opportunities including our new Somfit® patented wearable monitoring systems, incorporating Compumedics world-class diagnostics, Nexus™ 360, and the new Orion LifeSpan™ MEG brain functional imaging systems.

Profusion Nexus™ 360 Web-Based Laboratory Management System

New ONSight™ home epilepsy monitoring service or systems



Multiple core business new generation product and service platforms now being commercially activated

- **Digital/eHealth:** Our unique sleep neurology and sleep services is well positioned for growth based on our existent experienced teams and implementation of global 24-hour help-desk support.

Compumedics digital health traction with web-based sleep diagnostic platform

- **126,000 Nexus™ 360 neuro and sleep home or clinic diagnostic subscription-service studies to date.** The advancement of our digital eHealth business continues but as below, an overall strategic audit with an emphasised focus on high-impact breakout Somfit® and overall CMP Digital eHealth commercial activation is now underway. The milestone of 126,000 clinic in the Cloud Nexus™ 360 studies to date, paves the way for our intensified digital eHealth strategic focus in the immediate and longer-term future. With the advent of the COVID pandemic there is a heightened need for home-based and online healthcare services.
- **Compumedics proven CURRY® neuroimaging software suite,** sleep analysis and medical instrumentation has been refined with over 30,000 of the world's finest clinical and research users, over more than three decades with many thousands of resulting publications and millions of related patient studies. These widely standardised and validated analytics form "Compumedics DNA" and digital eHealth foundation.

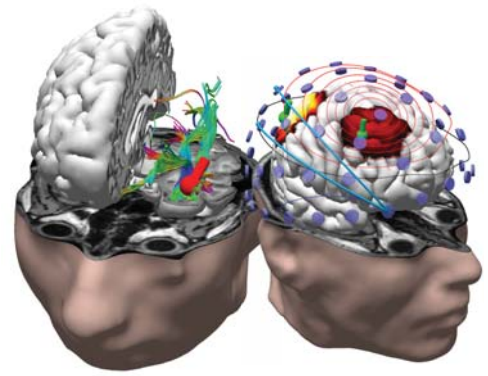


- **Falcon™ Home Sleep Testing (HST) and Okti™:** Compumedics regulatory phases have now advanced to enable market release activities for its new Falcon™ HST and new Okti™ Neuro-diagnostic monitoring systems in preparation of these exciting new upcoming product launches, commencing later this year.
- **Falcon™ HST** capabilities include streamlined user-friendly interface, fully integrated with Nexus™ 360 platform. The product represents a new generation of home or professional user-experience focus for the patient, family or health-worker, alike.

- **The new Okti™ platform provides a new generation and standard of premier quality** for best of class ambulatory home or clinical monitoring solutions applicable to ambulatory, long-term monitoring, and industry leading high density EEG capabilities, all coupled with the best of class clinical and research applications. These new technologies lead the way with the next generation of fully integrated secure cyber security protection.
- **CORiSS™ Cortical stimulation:** This product platform meets the growing market requirement for high-end epilepsy surgery programs. There is a need for a fully integrated cortical stimulator and switch matrix to allow neurologists and neurosurgeons to map out functional areas of the brain, which is becoming increasingly important as surgery emerges as a leading treatment for epilepsy.
- **Compumedics Neuroscan CURRY® neuroimaging software suite,** long-recognised as an industry standard, has recently been updated with the release of CURRY® 9.
- **This new CURRY® 9 version** incorporates automatic spike/seizure detection routines incorporating artificial intelligence machine learning algorithms which provide clinicians with the ability to quickly isolate epileptogenic activity from within a single transformation, PACS connectivity, Multi-user Database, DTI Fiber Tracking, improved FEM model co-registration. With no other package providing the comprehensive feature set found in CURRY® 9, including the well-known capabilities for MRI coregistration with EEG data, along with the tools for presurgical planning and stereo EEG electrode placement, with the ability to export results via DICOM to Robotic surgical assistants (e.g. ROSA®), coupled with the ability to record and analyse evoked potentials (popular in both clinical and research domains). The CURRY® 9 neuroimaging software suite remains the gold standard in brain analytics.
- **Digital eHealth Track Record:** Digital online health is rapidly emerging as a major part of our business with our eHealth Nexus™ 360 System (Nexus™ 360) now surpassing a milestone of 126,000 online cloud-based studies. These studies consist of any combination of sleep, EEG epilepsy and video monitoring in the home or clinic. The studies have mainly been conducted in the USA, given this is the most competitive, but also the largest and most lucrative market of its kind in the world.
- **In terms of our digital online EEG business,** since launching our EEG ONsight™ epilepsy and video home monitoring systems, we have become the chosen technology partner for a number of the world's leading secure cloud and wearable home monitoring service providers including Compumedics' USA based customers who are already interpreting 20,000 EEG studies per year across more than 200 facilities with more than 2000 neurologists world-wide.
- **In terms of Compumedics digital eHealth initiatives,** we are releasing the new Falcon™ HST range of systems over the coming year. This system provides in-home monitoring ease of use with premium clinical-grade quality capabilities, including seamless integration with our comprehensive secure Cloud, big-data Nexus™ 360 enterprise health information platform, enabling modern-day end-to-end solutions.



Compumedics Okti®, portable Clinical and LTM EEG system



Global Leading Brain analytics with Compumedics CURRY® 9 (CURRY®) neuroimaging software suite

- **Compumedics proven innovation legacy and track record bolsters our Somfit® commercial activation launch plans.**

The Somfit® platform is positioned to become one of most important transformational phases of digital eHealth evolution. Compumedics first generation led to the foundation of Compumedics with the first computerised PSG of its kind in the 80's, whilst Compumedics ushered in a second generation of digital medical technology in 90's and 2000's with two NASA astronaut contracts and the world's largest study of its kind, the 14,000 patient home-based sleep heart health study (SHHS), but the new Somfit® wearable EEG and Sleep platform's has application ranging from professional clinical or research premium grade solutions to work or home solutions anytime and anywhere.

- **Compumedics digital online sleep and neurology business,** or our 3rd generation of digital health, which we are now in the process of commercialising, includes our new Somfit® platform incorporating patented data managements systems, granted across global markets. This platform enables medical-grade sleep monitoring via a small single self-applied coin-sized sensor system, incorporating a full range of polysomnography (PSG) monitoring channels, enabling a medical-grade sleep study anytime, anywhere with our Nexus™ 360 secure Web-based INhome or Laboratory Health Management System (Nexus™ 360) "cloud services."

PRODUCT DEVELOPMENT PIPELINE

The 2021 year in progress was a year of continued research and development advancements along with regulatory activities, positioning Compumedics for a range of upcoming new product releases and market rollouts for the 2022 year. In particular, the pandemic restrictions have helped to accelerate the trend toward online and remote monitoring, providing an important catalyst for strengthening our digital eHealth focus, and importantly commercial traction moving forward. This direction is part of the Compumedics DNA, especially given our technological background, but most importantly our ability to adapt to the patient and other end-user healthcare requirements and user-experiences applicable today and in the future. As it relates to our track record our first generation of ambulatory systems (Compumedics P-Series) won highly competitive and prestigious contracts, including two NASA astronaut monitoring contracts (Space Shuttle and Space Station Missions). Compumedics was also awarded the contract to equip the world's first and largest home sleep study of its kind (USA NIH funded 14,000 patient Sleep Heart Health Study SHHS). Novel findings of the SHHS included increased incidence of heart failure amongst severe OSA sufferers (Gottlieb DJ et al. 2010) and the SDB association with all-cause mortality, and specifically coronary artery disease (Quan SF et al. 2009). Compumedics won the highly competitive and prestigious NIH

tender against 21 world leading sleep companies and the study involved 18 USA Medical Institutions/Organisations.

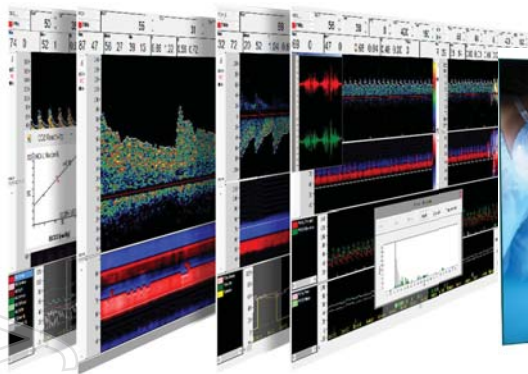
Consequently, current regulatory completion processes for Compumedics' latest generation of home, remote of clinic neuro and sleep Okti™ and Falcon™ HST systems will help to underpin our key digital eHealth business realisation focus over the next year and beyond.

Driving Growth via Established and Proven Distribution with Geographical and Product Diversity

With over 50 distributors world-wide, in addition to direct offices in USA, Germany, France and Australia, Compumedics remains focussed on both building and strengthening its global representation. In particular, strengthening and growing Compumedics existent market leadership in sleep and neurodiagnostic, Brain Research, and Doppler Ultrasound across USA, Germany, Australia and China will continue to be the focus driving a range of sales and marketing initiatives in the year ahead.

Steps to rapid value-realisation and growing EBITDA over next 3 years

- **Strengthening our geographical focus on products and services to drive global revenue generation,** applicable to both our direct sales and marketing forces, along with other global distribution and commercial partnership channels.
- **Accelerate breakout Orion LifeSpan™ MEG system commercial activation.**
- **Accelerate breakout Somfit® and overall CMP Digital eHealth commercial activation.**
A number of convergent factors including the advancement of the Somfit® commercialisation program, Nexus™ 360 market traction, the unique suite of CMP Digital eHealth technologies, arguably providing an unsurpassed window of opportunity for a true end-to-end go-to market folio of digital eHealth products and services. These go-to market digital eHealth products and services include Somfit® platform, Falcon™ HST, Nexus™ 360, Okti™, ONsight™ home secure Cloud-based neurology services, Profusion Nexus™ 360, Profusion EEG™, Profusion PSG™, Compumedics CURRY® 9 neuroimaging software suite incorporating new upcoming SAAS opportunities, DWL® TCD robotics, along with a historical post-COVID-pandemic telemedicine/digital health/home services market boost, driven by increased remote or home healthcare service needs.
- **Continued focus on building consumable and other annuity stream business.**



Compumedics® DWL® Doppler Sonography

Compumedics DWL® Business Overview

Our Compumedics DWL® division performed well in 2021FY demonstrating continued profitability amidst strong continued investment in a range of new projects and products. These new products and projects included COVID19 TCD vascular health monitoring, Sickle Cell diagnostic, international emboli monitoring studies, and emergent technologies such as ambulatory and robotic TCD applications.

TCD in use with COVID-19

It is expected that TCD continues to play a significant supporting role in diagnosis and further therapeutic interventions. COVID-19 can be held responsible for serious, pathological changes in the vascular system and cerebral hemodynamics that correlate with known disease patterns and can thus be diagnosed by Doppler sonography. First studies by reference academic university hospitals are issued and ongoing on the use of DWL® TCD with COVID-19 patients.

DWL® TCD as golden standard for Sickle Cell (SC) diagnostics

Compumedics DWL® is a contractor and direct supplier for a medicine approval confirmatory study for the treatment of Sickle Cell Disease patients involving more than 50 intercontinental study sites. The commitment of the company and initiator of the study is to develop and deliver therapies for patients with sickle cell disease and the goal is to advance the care and treatment of SCD patient through science, innovative medicines, and access to solutions. The confirmatory study is for five years.

DWL® TCD advancement of technical progress in monitoring

TCD can continuously monitor patients undergoing clinical or surgical procedures. It is the only method capable of demonstrating passage of emboli through the brain circulation for risk stratification following stroke and/or TIA and during neurointerventional procedures as well as vascular and cardiac operative procedures. This is of fundamental importance for therapeutic decisions in ischemic stroke.

Compumedics DWL® - international study on emboli detection and improvement, with the two leading societies in Europe in Neurology and Neurosonology

This initiative for this was based on the need for a well-structured clinical network to achieve the following goals:

- to further advance the technical progress in the monitoring field
- to provide an ultrasound education and training program
- to test the usefulness of Doppler sonography in new areas and implement it in clinical trials
- to promote the use of continuous Doppler sonography in daily practice

TCD with Neuromonitoring Analysis (NMA®)

The use of the innovative screening software Neuromonitoring Analysis (NMA®) allows cardiovascular surgeons, anaesthetists and intensivists to quickly and reliably interpret the TCD signal in complex clinical situations providing valuable information for further disease assessment and therapy control.

DWL® for patient data management

Via digital interfaces or analog in/output time base merging of TCD values with essential patient parameters is given. This allows data management and evaluation of cerebral autoregulation for neuro intensive care monitoring and safe control and surveillance of patient monitoring data collection. DWL® offers a digital output interface to Philips IntelliVue® Monitors for clinical monitoring as well as an output interface to Cambridge ICM+® for brain monitoring.

Smallest complete TCD worldwide

With the development of the new Compumedics DWL® **EZ-Dop™ system** the potential to expand the TCD market in its various application fields and especially in the neurosurgery and intensive care is huge. The new EZ-Dop™ will be certified according the new MDR in order to be flexible for future developments.



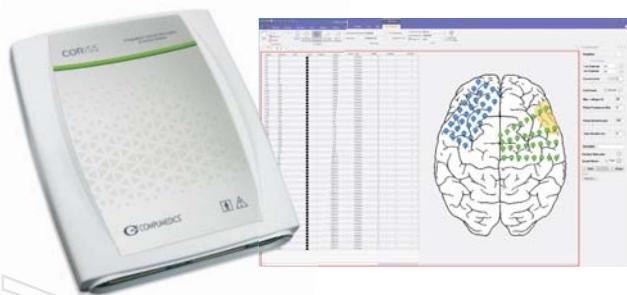
Compumedics DWL® EZ-Dop™ System

Development of a robotic detection solution

The development of a robotic vessel detector with dedicated automatic software will greatly increase the diversity of applications for TCD. In particular, the new portable robotic TCD can be deployed across a range of increasing market needs including the use of TCD for traumatic brain injuries (TBI) diagnostics for emergency ICU application, sports, battle fields and ambulances.



Compumedics DWL® Robotic Vessel Detector



Compumedics® CORiSS™
Cortical Stimulator



Compumedics® Somfit®
PSG/EEG solution

SUMMARY AND FINANCIAL OUTLOOK

Compumedics remains well positioned to return to strong growth, based on the solid overall FY21 performance, amidst COVID-19 challenges and opportunities.

Moreover, the existent core business, coupled with an array of new upcoming product releases, and the continued commercialisation progress of business opportunities including Orion LifeSpan™ MEG systems and Digital eHealth traction, incorporating integrated Somfit® and Nexus™ 360 solutions, provides significant upside opportunities. With key milestones achievements of the past year, including 126,000 Nexus™ 360 Cloud in-home and in-clinic neurology and sleep studies to date, Compumedics is further accelerating these growth opportunities.

Return to overall growth is now evident, based on strengthening sales pipelines, abatement of COVID-19 impacts, and importantly, with Compumedics adaptation to emergent post-COVID 19 opportunities, including telemedicine, home monitoring and artificial intelligence (AI) market sectors. These market sectors are all key, well proven, and established competencies of Compumedics.

In terms of FY22 outlook guidance, despite travel, logistics and adverse COVID-19 impacts Compumedics improved its cash position, generated revenue growth, improved its EBITDA, and continued to advance its core

business, along with a number of major growth initiatives, including its Digital eHealth/ Somfit® and Orion LifeSpan™ MEG programs. As noted, the company is demonstrating strong signs of future growth, as we return to normal business. Additionally, with post-COVID trends such as a heightened market outlooks in home-based healthcare services and eHealth, Compumedics look forward to sharing a number of positive announcements in the year ahead. With that said the Company is not able to provide FY22 guidance at this time but continues to actively monitor this with a view to resuming guidance at the earliest appropriate time.

As a quick wrap-up, the FY21 was a year of sound financial performance, coupled with significant progress, particularly important as our markets re-open and we intensify our focus on commercialisation and growth for FY22 and beyond.

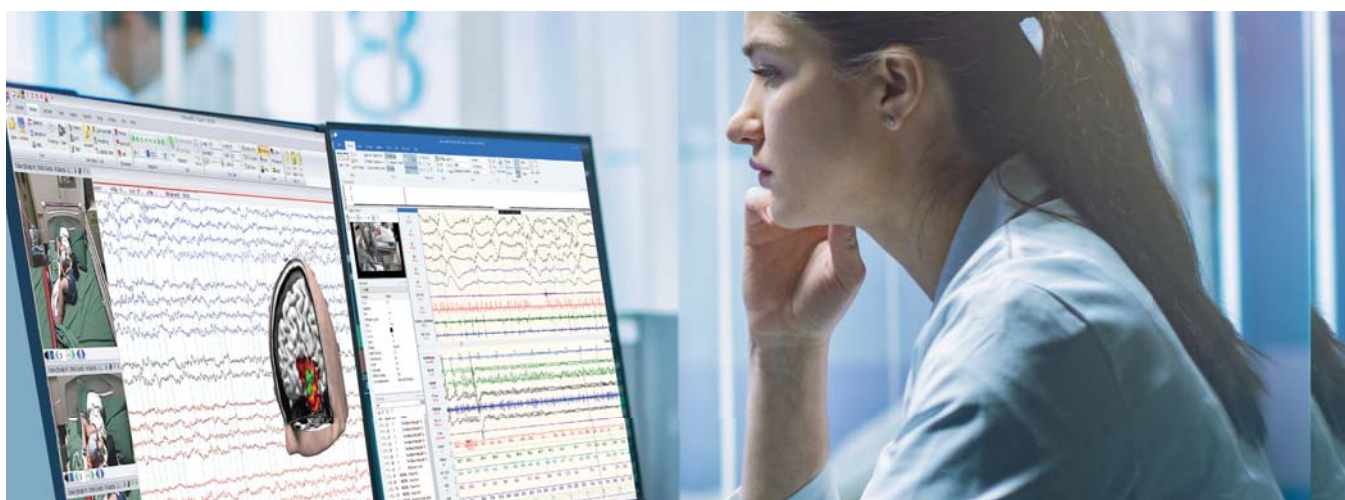
We would like to thank you all for your continued support and we look forward to driving on-going developments and associated announcements throughout the year ahead.

Yours sincerely,

Dr. David Burton, Ph.D.

Executive Chairman and Chief Executive Officer
Compumedics Limited

Compumedics®
Profusion™
EEG and PSG



GLOBAL MARKETS

Global Neurodiagnostics market

Description of the market:

Global Neurodiagnostics is the study of electrical activity in the brain, spinal cord, nerves and muscles for the diagnosis and monitoring of neurological based diseases. Tests may be performed in hospital outpatient departments, neurophysiology labs, operating theatres, intensive care units and private practice.

Current Market position:



Competitive Advantages:

- 1 Complete range from clinical to research technologies
- 2 Uncompromised system design
- 3 Highest industry quality standards
- 4 Best in class brain analytics

Current Market Share:

less than 1%

Key drivers:

The key drivers for achieving growth in this market are to have technologically superior products that differentiate Compumedics from existing competition. This will be achieved with the revolutionary upgrade to the Compumedics EEG range that includes new class-leading hardware, user-intuitive software platforms matched with a new range of disposable consumables. Compumedics is also tapping into new EEG clinical segments such as the Home video ambulatory EEG monitoring and cortical stimulation.

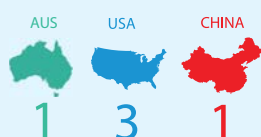
Global Sleep Diagnostics market

Description of the market:

The global Sleep Diagnostics industry is comprised of diagnostic and therapeutic technologies and medicines.

Compumedics' core business lies in the design and manufacture of technologies for the diagnosis of sleep disorders – a market estimated to be worth AUD\$250 million worldwide and growing.

Current Market position:



Competitive Advantages:

- 1 Innovative strength
- 2 Active involvement in sleep science globally
- 3 Market placement and momentum
- 4 Best in class sleep analytics

Current Market Share:

6%

Key drivers:

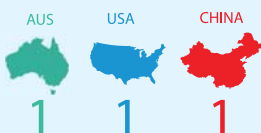
To logically continue to expand our US and European sales and support infrastructure and to evolve the business to provide complete sleep medical solutions.

Global Brain Research market

Description of the market:

Global Brain Research is the study of the brain's functionality, using Quantitative EEG (QEEG) methods to supplement traditional EEG findings. With the advent of high speed digital information processing and statistical analysis, QEEGs extract and quantify brain electrical activity to address aspects of EEGs that cannot be appreciated visually.

Current Market position:



Competitive Advantages:

- 1 Superior patented technology
- 2 Uncompromised system design
- 3 Unmatched innovation
- 4 Best in class brain analytics

Current Market Share:

30%

Key drivers:

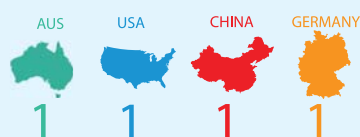
The key driver for growth in brain research will be to maintain Neuroscan's preeminent technological lead and to back this by expanding the sales and support infrastructure to harness this expanding market opportunity. Expansion into markets including animal (non-human) EEG and pharmaceutical product development will be actively pursued worldwide.

Global Doppler Ultrasound market

Description of the market:

The Doppler Sonography technique utilises sound frequencies to measure the blood flow condition in vessels and evaluate haemodynamics by using high quality diagnostic and monitoring systems. DWL Doppler systems are used in a wide range of specialist branches of medicine including neurology, neurosurgery, cardio- and vascular surgery, anesthesia, intensive treatment, internal medicine, angiology and radiology. The products are purchased by private practices and clinics, hospitals (both public and private), and by major universities, national research institutes and corporate research laboratories around the world.

Current Market position:



Competitive Advantages:

- 1 Market leader with more than 10,000 installed sites worldwide
- 2 Highly skilled R&D team with over 30 years of experience
- 3 German quality engineering tradition
- 4 Reliability in duty duration
- 5 Innovative strength in developing and enhancing TCD
- 6 Close contact with professors, opinion leaders and research institutes worldwide
- 7 Perfecting methods and developing new applications
- 8 Record number of most relevant scientific reference publications
- 9 Wide range of product solutions for a variety of clinical applications and uses

Current Market Share:

less than 35%

Key drivers:

- Highly specialised international team of Experts
- Diversity in TCD applications
- Specific solutions for specialised applications in the use of TCD
- Perfecting methods to become golden standard in TCD applications
- Worldwide distribution network for global and consistent DWL market presence

CORE BUSINESS - GROWTH DRIVERS

Compumedics will continue to grow its core sleep, neuro, brain research and blood flow monitoring businesses by:



Compumedics / Neuroscan LTEM innovative brain analysis software (CURRY®) and high performance amplifiers are unrivalled world class technology.



We have >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 post pandemic. New range of ambulatory products for Sleep and Neurology releasing FY22.



USA based business still a key area of growth focus, with seeking and retaining key staff a 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 neurodiagnostic monitoring market growth in Japan.



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

CORE BUSINESS

Premium Focus expanding to whole market.

	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 – 1 China – 1 Germany – 1

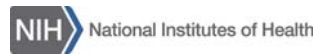
Compumedics has traditionally sold its products into the premium end of each of the markets it sells into. The company has launched, and commenced shipping, a new range of devices that have been specifically designed to be priced competitively for the majority of customers in the markets Compumedics sells into. Compumedics will use its branding and reputation in the premium end of the market to drive market expansion in the whole market, increasing the addressable market available to Compumedics by two to three times.



CLIENTS AND CORE PRODUCTS

Key Clients

Compumedics has over 30 years of operations and in that time has worked with and established a client list of key opinion leaders, world wide which have included:



Core Products

Sleep Diagnostics



Compumedics GraeL® - 4K HD



Compumedics GraeL® PSG



Compumedics Siesta®



Compumedics Somté® PSG



Compumedics Profusion™ Sleep Software



Compumedics Profusion™ NeXus Software

Neuro Diagnostics (including Brain Research)



Compumedics Neuvo® 512 Channel



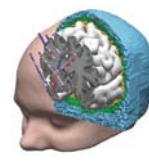
Compumedics GraeL EEG® Neuroimaging Suite - 4K HD



Compumedics GraeL LT® - HD EEG



Compumedics Profusion™ EEG Software



Compumedics CURRY® Neuroimaging Suite



ONsight™ A.V.S. Ambulatory EEG Video Solution



Compumedics Orion LifeSpan™ MEG



Quik-Cap® EEG Electrode Arrays

Ultrasonic Blood Flow Monitoring



Multi-Dop® T digital



Doppler-Box™ X

STRATEGIC GROWTH PLATFORMS

The Company is focused on a number of substantial opportunities based on next-generation growth platforms applicable to DWL, Neuroscan brain imaging, and medical innovation projects such as eHealth and sleep treatment.

The MEG opportunity is highlighted here.

THE NEW ORION LIFESPAN™ MEG - AN EXCITING INNOVATION FROM COMPUMEDICS

What is MEG? How Does it Work?

Developed by David Cohen at Massachusetts Institute of Technology in the 1970s, MEG technology can record the magnetic fields associated with electric currents generated by synchronously active populations of neurons in the brain.

MEG is based on the use of highly sensitive detectors called SQUIDs, or super-conducting quantum interference devices.

These superconducting magnetic field detectors can accurately measure the occurrence of spontaneous brain activity called spikes, which can be signatures of the existence and location of onset for epilepsy activity in the brain such as dementia, autism and epilepsy can be detected.

The development and integration of a zero-loss helium recycling system (used to cool the SQUIDs into the operational superconducting state), reduces system operating costs by as much as USD100,000 annually.

Key Features

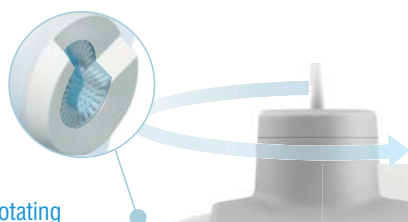
- 186/138 adult/pediatric radial gradiometers (> Spatial Density than Elekta)
- Simultaneous hyperscanning of two patients/subjects
- SQUID: Double relaxation oscillation SQUID (DROS)
- Average sensitivity: Better than 3.0 fTrms/ Hz (@ 10 Hz)
- Integrated Zero-Loss Closed-Loop Helium Recycling
- Sample Freq 10 kHz Max Option, Resolution: 16/24 bits
- 32/64/128 Channel Integrated EEG
- Active MSR Shielding (medium strength)
- CURRY® fully integrated / STIM2 / Video Integration
 - Real Time Dipole Averaging and Clustering
 - Real Time Event Averaging
 - 3 CURRY® WorkStations: 1 Acquisition, 2 Analysis
 - multiple system configurations are under development including sitting only and combine sitting/supine options to satisfy clinicals and researcher alike.

Orion LifeSpan™ key advantages

Patented dual helmet rotating
adult/pediatric dewar

Patented Sensing System

Integrated zero-loss
Helium recycling
Vibration-free continuous
operation Helium reliquification
system integrated into the
Orion LifeSpan™ MEG system for
reduced running costs





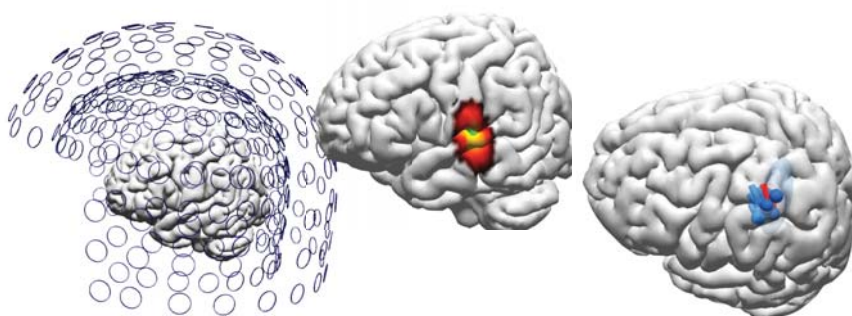
- The CURRY® Neuroimaging platform and MEG have a history stretching back over 30 years. CURRY was first conceived as a product in the early 1990's when Philips Electronics investigated the feasibility of developing its own MEG hardware platform. Ultimately, the hardware platform did not survive, but the software, along with its core engineering architects, Dr. Manfred Fuchs and Dr. Michael Wagner, continued on.
- The benefits associated with CURRY's ability to integrate MEG with EEG and co-register both kinds of high-temporal resolution functional imaging data with the structural neuroimaging data including MRI, CT, DTI, as well as PET, SPECT and fMRI accelerated the adoption of the software by both the research and clinical communities. Early clinical adopters, such as Dr. John Ebersole, supported and championed the benefits of source localization tools such as CURRY, contributing to the development of specific source analysis billing codes for EEG and MEG. For a long time, CURRY has been the de-facto software platform for clinical MEG community, particularly those assessing epilepsy. This has culminated in the adoption of CURRY as the standard analysis platform by the European Epilepsy Consortium.

Market & Competition

- The MEG market was previously estimated at about 20 systems a year at an average selling price of USD4.0m each = US\$80m/pa. The current market, anticipating the BNI instillation has adopted a wait and see state.
- This is expected to grow about 10% a year, excluding China.
- It is estimated that China could double the existing market size to about 70 units a year.
- The dominant existing player is Megin (formerly Elekta, based out of Sweden) and owned by private equity, followed by Yokogawa (Japanese market and now owned by Ricoh) and CTF MEG (a much smaller player).

Plan

- FY22 – Complete installation of first sale to Barrow Neurological Institute in Phoenix, AZ, USA (COVID-19 delayed)
- FY22 – Secure second sale



STRATEGIC GROWTH PLATFORMS

Compumedics' cloud based sleep diagnostic platform includes a professional application, NeXus 360, and a consumer application, Somfit®. NeXus 360 has grown to over 41 sites in the USA and Australia.

profusion neXUS 360™ Laboratory Management System

A Revolution in Laboratory Management

Introducing Compumedics Profusion neXus 360, the next generation of Profusion neXus. Built on the proven Profusion neXus platform with more than 15 years of customer use and thousands of users, Profusion neXus 360 offers the full functionality of Profusion neXus and more, in a fully web-based interface.

ACCESSIBILITY

- > Anywhere
- > Anytime
- > Any Device (supporting HTML5 browser)

SEAMLESS INTEGRATION

- > Seamless hardware and software with user-configurable reporting
- > Fully managed by Compumedics
- > Scalability
- > HL7 Support
- > Multi-site management

HIGH SECURITY

- > Digitally secure study "sign-off"
- > Two-factor authenticated login
- > HIPAA compatible
- > All web traffic is securely encrypted

WORKFLOW EFFICIENCY

- > Simple management of access privileges
- > Web-based review and reporting
- > Automated updates and backups
- > Dynamic scalability to suit growing labs

Profusion NeXus 360 Features:

- Simple, browser/internet-based access via HTML5
- Two-factor Authentication Access
- Digitally secure study "sign-off"
- User-defined, group-based access privileges
- Template/Document Integration
- Non-editable audit-log
- Multi-language Support (English, French, Chinese, Spanish)
- Fully managed Cloud Service, simple installation, reliable system backups and easy system updating
- In-lab acquisition and real-time uploading to the web

Platform and Browser Independent



*Optimised for touch displays



Somfit®
True sleep fitness

Quality Sleep is Essential

"Every aspect of who you are as a human, every capability is degraded, impaired, when you lose sleep. What does that mean? Your decision-making, reaction time, situational awareness, memory, communication, and those things go down by 20 to 50 percent."

(Mark Rosekind, member of the National Transportation Safety Board in Sleepless in America – National Geographic Channel Documentary December 2014)



What is Sleep Fitness?

Sleep fitness is getting the right type or stages of sleep and the right amount of sleep.

There are five stages of sleep, each characterized by different brain activity.

The most important sleep stages are REM (dream sleep) that enables brain restoration for learning and memory and deep sleep for body recovery.

The body also needs alignment of our internal circadian clock with the sleep/wake cycle - otherwise sleep quantity suffers (ie the "jet lag effect") and sleep fitness is degraded.

Are you getting quality sleep (how do you know)?

Movement detection is not clinically accepted as a true measure of sleep-wake.

The American Academy of Sleep Medicine (AASM) recommends that to clinically and scientifically distinguish between various sleep stages to determine sleep quality or fitness - sleep scientists measure brain waves (electroencephalography or EEG), eye movements and muscle tone. This is the Gold Standard for a sleep test.

The Somfit®

For the first time, a fitness tracker with gold standard sleep technology.

At night, the Somfit® will track your sleep collecting medical grade data to provide true sleep insights - understand your night's sleep architecture - accurately measure the quality of your sleep through accurate measurements of durations you spend in REM, deep sleep or light sleep.

Why use Gold Standard Sleep Technology?

The technology in Somfit® is medically validated and the data collected is Gold standard – meaning that it is the accepted methodology to accurately measure and detect REM, and the data can be used for medical consultations with your GP if and when the need arises.

Coaching

Empower yourself with accurate sleep data and with Compumedics' strong ties with the sleep professional community and extensive experience in sleep monitoring, you can take intelligent action to improve your wellbeing and performance.

Who is it for ?

- Athletes - managing and enhancing performance
- Diabetics
- Medical professionals
- to assist treatments of insomnia or depression
- Anyone who wants to truly understand their sleep habits for well being.



Somfit® APP

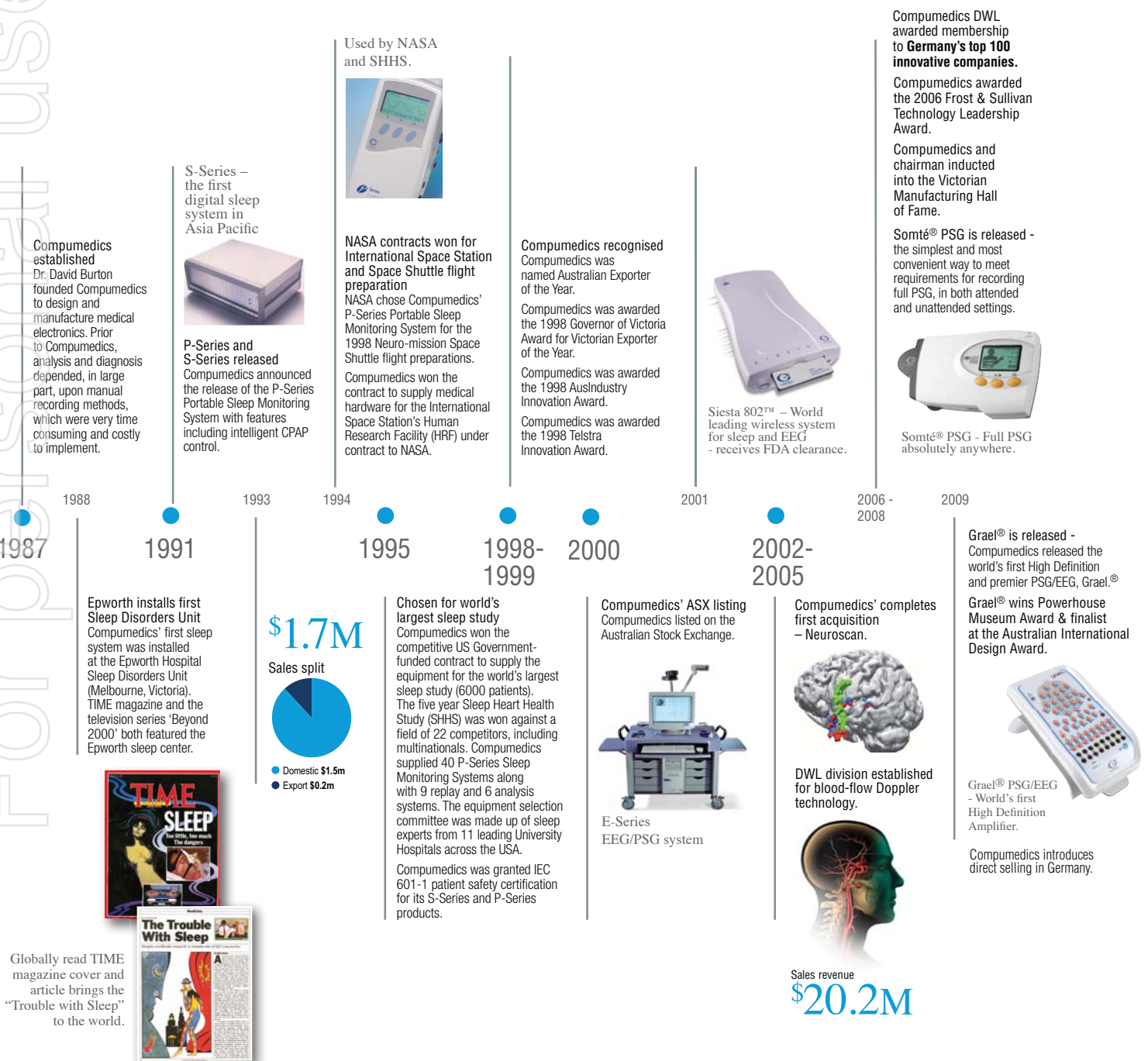
The power inside

Powered with technologies from Compumedics, the company with over 30 years experience in professional sleep diagnostics and equipping leading sleep laboratories around the world with advanced sleep monitoring systems.


Compumedics offers expertise in medical product design, but significantly provides the advanced diagnostic-grade signal processing power for more accurate sleep staging and analysis in the Somfit®.

A FOCUSED STRATEGY IN ACTION


For over 30 years, Compumedics' focus in Sleep and associated medical disorders has established a solid platform for growth.



Compumedics recognised as one of Australia's top 100 Health Innovators through its world leading devices for sleep diagnostics.




Somnilink SPAP®
Somnilink SPAP receives CE and TGA clearance.




CURRY® SCAN 7
Neuroimaging Suite is released
Compumedics introduces direct selling in France.

Beijing Bestmed, Compumedics' China-based distributor invests \$0.5M, becoming a top 10 shareholder
- this injection of funds contributes to Compumedics further growth in the China region.




Neuvo® LTM
512 Channel EEG

New Patent Grant Underpins Growth Opportunities for Compumedics' DWL.
- New product development based on patent for system of detecting and treating blood vessel stenosis or occlusions.



\$7.5 Million Sleep Diagnostic Systems Contract with Beijing Bestmed Accelerates Compumedics Strength in China.


Compumedics wins major multi-million dollar MEG brain imaging contract.




Growth in China - Compumedics confirms strength in China with over \$5M in sales in 2017.

New product released - Profusion NeXus 360 - A Revolution in Laboratory Management.

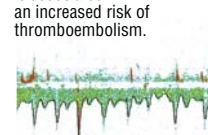
Compumedics Announces Successful MEG Installation at BARROW NEUROLOGICAL INSTITUTE




New products released - NEW Neuroscan Quik-Caps
Now in Gel-based Electrode Arrays in Neoprene and Silicone and Liquid-Electrolyte Hydro Net Arrays.



DWL Emboli Detection in patients with Atrial Fibrillation:
The ERNSono Multi Center Study across 4 centres in Europe finds that atrial fibrillation is associated with an increased risk of thromboembolism.



Compumedics DWL signed an agreement with UK based Medical Equipment Supplies and Management company for supplying DWL Transcranial Doppler (TCD) systems for use within a clinical trial for Sickle Cell Disease performed by a US based biopharmaceutical company.



2010
2011

2012

2013

2014

2015

2016

2017

2018

2019

2020

2021

SILVER JUBILEE
25 YEARS OF DIAGNOSTICS EXCELLENCE

Compumedics celebrates its 25 Year Silver Jubilee Anniversary.

Neuvo® LTM, world's first 512 channel wall system is released to market - the Ultimate Long-term Monitoring System.

Grael®-HD EEG - High-Definition EEG is released to market.



Grael®-HD EEG

eHealth Business focus in Asia.
New contract signed with Bestmed (China) with potential revenue of US\$5 million over the next three years growing to US\$13.2 million within five years.
Company has now secured total contracts for its eHealth platform with potential incremental revenue of US\$9.1 million over the next three years.

New products released - Profusion EEG5 - World class EEG diagnostic software.
Profusion Sleep4 - World class PSG diagnostic software.



New e-Health Somfit® consumer product is developed -



Somfit® Night

Compumedics and KRISS (Korea Research Institute of Standards and Science) officiates technology transfer agreement and MOU for new advanced MEG.

Successful completion of \$6.5M capital raising

Compumedics Signs \$3.6 Million Distribution Agreement with Fukuda Denshi Co., Japan
Fukuda Denshi Co. becomes Compumedics' new neuro diagnostic distributor in Japan. The deal further underpins Compumedics' on-going growth in Asia and opens a new market for Compumedics existing product range - neuro-diagnostic and monitoring products - in Japan.

New product released - ONsight™ A.V.S
Ambulatory Video EEG Solution
Monitor your patient's home ambulatory studies with CONFIDENCE! EEG with Video recording in "Real Time!"



New products released -



CURRY® 9 - Compumedics Neuroscan releases the latest in the CURRY® Neuroimaging Suite.

ProFusion Sleep 5 & EEG 6
Latest generation ProFusion Software suite for PSG and EEG updated with even more user-friendly features and functionality.



BOARD OF DIRECTORS

Compumedics is committed to developing a world class working environment that rewards individuals for the contributions they, and their teams, make to the business each year. Compumedics is proud of the diversity of its people, and continues to develop its people infrastructure under the guidance of the Senior Management Team and the Board.



Dr. David Burton, Ph.D.

Executive Chairman, CEO

Dr. David Burton, Ph.D., is the founder, Chairman and CEO of Compumedics. After establishment of Compumedics the company was listed on the ASX in 2000, and has been awarded 24 awards for design, innovation, business and exports including the Australian Exporter of the Year in 1998 and Small Business of the Year in 1999.

Dr. Burton started his career at the Bureau of Meteorology, where he studied radar techniques and electronic equipment. He founded Linear Transfer Pty Ltd, which designed, manufactured and marketed high fidelity recording and sound equipment. He was awarded an Associate Diploma in Engineering (Electronics) by the Royal Melbourne Institute of Technology and a Ph.D. (Eng. Sc.) by Monash University, Melbourne (Australia). Dr. Burton's engineering background includes the design and project management of Compumedics' first sleep laboratory and portable sleep systems. Dr. Burton has authored 150 patents or patent applications across more than 20 families of patents that form part of Compumedics' intellectual property.

Dr. Burton has served as an advisor for the Victorian Government as a member of the Council for Knowledge, Innovation, Science and Engineering (KISE), being the Victorian Government's key advisory body on issues and policies focusing on science and innovation.

Dr. Burton was presented the Clunies Ross National Science and Technology Award in 2002 for his development of innovative sleep monitoring technology. He was awarded the 2003 Centenary Medal by the Prime Minister and Governor General of Australia for outstanding contribution to science and technology, particularly public science policy. In 2003 Dr. Burton was awarded the Ernst & Young Victorian Entrepreneur of the year award for technology, communications, E-commerce and life sciences. In 2007 Dr. Burton was inducted into the Victorian Manufacturing Hall of Fame in recognition of manufacturing achievements and world-wide medical device exports.

Dr. Burton served as a Victorian Government adviser as a Board member of the Design Victoria (2008-2011), was appointed to the Academy of Technological Science and Engineering (ATSE) committee in 2012 and in recognition of his outstanding contribution to the profession of Biomedical Engineering and was awarded the 2012 David Dewhurst Award by Engineers Australia, College of Biomedical Engineers.



Mr. David Lawson

Executive Director

Mr Lawson has been Chief Financial Officer and the Company Secretary of the Company for over twenty two years. In that time, Mr Lawson has been extensively involved in the development of the Company including the Initial Public Offering of shares in the Company, the subsequent offshore acquisitions in the US and Germany, private equity placements and the recent refinancing of the Company. Mr Lawson also has been involved in the operational turn around of the Company and brings a significant amount of experience and knowledge to the Board.



Mr. Tucson Dunn

Non-Executive Director

Currently working with JLM Investment, (USA) as CEO of Healthcare where he is responsible for healthcare ventures.

Prior to joining JLM, Mr. Dunn served as Managing Director of Fosun Healthcare Holdings in Shanghai China. Mr. Dunn has over 26 years of international healthcare leadership experience developing and managing hospitals, clinics and related business throughout Asia, Middle East, Europe and USA.

SENIOR MANAGEMENT



Dr. David Burton, Ph.D.
Executive Chairman, CEO



David Lawson
Executive Director,
Chief Financial Officer
& Company Secretary



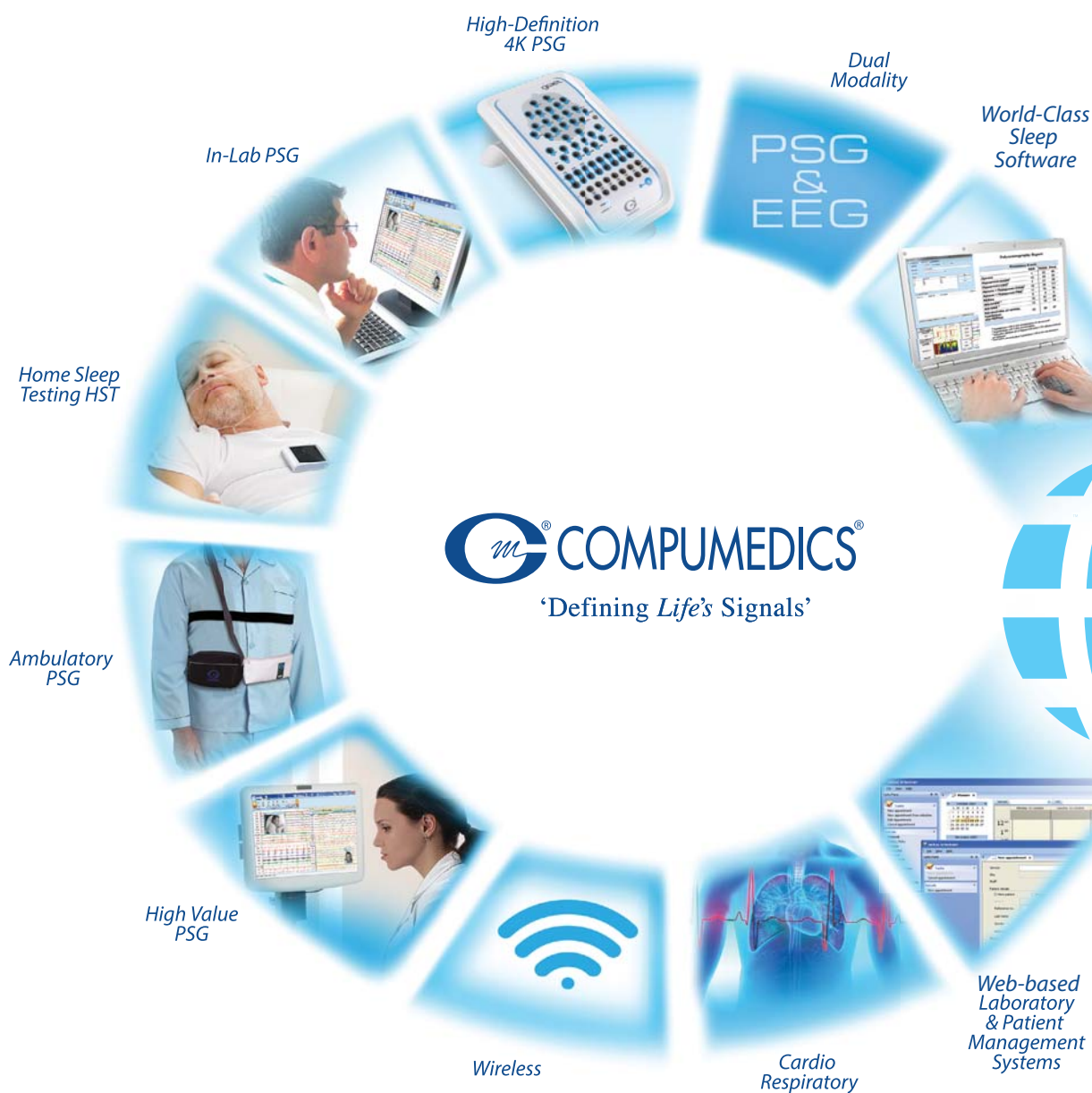
Warwick Freeman
Chief Technology Officer



Christoph Witte
General Managing Director
DWL Compumedics Germany GmbH

Your World of Sleep and Neuroscience

For personal use only



From Clinical to Research

INNOVATION. VALUE. VERSATILITY.

Routine &
LTM EEG



Pharmaceutical
Clinical Trials
& Research



Home Video &
Ambulatory
EEG Monitoring



High-Definition
4K EEG



Animal
Research



cEEG for ICU



Recording
in fMRI



Quik-Caps®



High
Channel Count
EEG, EP & ERPs



Orion LifeSpan™
MEG



Powered with
COMPUMEDICS®
NeuroScan™

World-Class
Neurology &
Brain Research
Software





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‘Defining *Life’s* Signals’

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