

ASX Release
25 January 2023

BUSINESS UPDATE – 31 December 2022

CORE BUSINESS

- Unaudited revenues for H1 FY23 expected to be approximately \$18.0m compared to \$16.8m in H1 FY22 or 7% higher. FY23 sales orders are expected to be at least \$40m which is in line with the AGM guidance for FY23 revenue
- We will make comment on AGM FY23 EBITDA guidance of \$4m at H1 FY23 result, and believe that in-line with pcp at \$3.3m is a likely estimate for \$40m of revenue
- The Company continued to experience some ongoing global supply issues, chip shortages/delays and other pandemic related factors, which did constrain revenues in the first half. The Company continues to work to resolve these matters
- Sales orders taken, H1 FY23 were \$17.4m compared to H1 FY22, excluding MEG, of \$22.8m, due to the timing of annual sales order commitments out of China. Annual sales order commitments were received in H1 FY22 but new annual sales order commitments from China have yet to be issued. The Company does expect annual sales order commitments from China in H2 FY22, and expects sales orders taken for the full year to be at least \$40.0m
- Appendix 4D expected to be released on 21st February, 2023

MEG and Somfit

- Somfit commercialisation continues to progress as outlined in the ASX release, dated 20th September 2022, and which is noted in this release.
- Compumedics continues to work towards the delivery of its second MEG sale to Tianjin Normal University (TJNU), China
- The original MEG system at Barrow Neurological Institute (BNI) is to be removed

Compumedics Limited (ASX: CMP) wishes to advise that the Company expects revenues to be about 7% higher at \$18.0m for H1 FY23, compared to H1 FY22. This is the result of the Company continuing to resolve pandemic related supply issues and ongoing global silicon chip shortages. The Company expects these matters to largely normalise over calendar 2023.

The Company received \$17.4m in new sales orders for H1 FY23, compared to \$22.8m (excluding the TJNU MEG sales order) in H1 FY22. The H1 FY22 result of \$22.8m included about \$6.0m in annual committed sales orders from China. New sales orders have not yet been received from China due to the ongoing

pandemic issues being experienced. We do expect additional sales orders from China in H2 FY23 and, as a result, expect total sales orders for FY23 to be at least \$40.0m.

Commercial opportunities and current activities for the Somfit consumer sleep device continue, as detailed in the announcement to market on 20th September 2022, which noted sales of the Somfit® services and product have commenced in Australia and in Europe, mainly to research institutions, universities, and elite sports related organisations. These initial sales (about \$200,000) have allowed Compumedics to start the real-world validation of the technology and allow the Company to generate publications in support of the use of Somfit® services and product in these settings.

- Somfit® services and product have also been purchased for two large Insomnia studies currently underway in Australia, which will allow Compumedics to gather data to develop a deep learning algorithm for use in a future Insomnia related product.
- Somfit® services and product have been purchased for evaluation in Occupational Health and Safety (OH&S) management in remote mining sites.
- Somfit® services and product have been purchased for evaluation in pre-screening cardiac surgery patients.
- Somfit® services and product have been purchased for evaluation as a patient monitor in the ICU (intensive care unit) setting.

The go-to market strategy for point of care testing has been developed around an initial focus in Australia and east coast of the USA and is currently being executed, targeting three main areas:

- The existing Obstructive Sleep Apnea (OSA) Home Sleep Testing (HST) market
- The primary care market for sleep screening, OSA diagnosis and supporting the diagnosis of Insomnia and circadian rhythm disorders
- eHealth backbone (Nexus 360) across east coast of USA (a forerunner to home testing)

A further up-date on Somfit will be provided with the release of the Appendix 4D.

The first MEG sale to BNI will be removed due to the ongoing and protracted timing of resolving technical issues being outside what is acceptable to BNI. Whilst this is disappointing to both parties it has been agreed that this is the most appropriate and commercial resolution.

Compumedics continues to work assiduously towards delivery of its second MEG sale and its first MEG contract in Asia to Tianjin Normal University (TJNU) in Tianjin, China.

The Company is currently reviewing its MEG strategy with its partners in Korea, China and USA and will provide a further update to the market accordingly.

The Company expects to release highlights, detailed analysis and final first-half FY22 numbers with the Appendix 4D, on 21 February 2023.

About Compumedics Limited

Compumedics Limited [ASX: CMP] is a medical device company involved in the development, manufacture, and commercialisation of diagnostics technology for the sleep, brain, and ultrasonic blood flow monitoring applications. The Company 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.

Executive Chairman Dr. David Burton founded Compumedics in 1987. In the same year the Company successfully designed and installed the first Australian, fully computerised sleep clinic at Epworth Hospital in Melbourne. Following this early success, Compumedics focused on the development of products that sold into the growing international sleep clinic and home monitoring markets.

Compumedics listed on the Australian Securities Exchange in 2000. Over the years, Compumedics has received numerous awards, including Australia's Exporter of the Year, and has been recognised as a Top 100 Innovator by both German and Australian Governments.

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Authorised for lodgement by Compumedics Limited's Board of Directors