

Tuesday 31st October, 2023

10.30am

- Sleep Diagnostics and Treatment
- Neuro Diagnostics
- Brain Research
- Ultrasonic Blood Flow Monitoring
- Medical Innovations



AGM Agenda

Meeting opens

Chair's address

Ordinary business

Meeting closes

Ordinary Business

Item 1 Financial Statements and Reports

Item 2 Election of a Director – Rod North

Item 3 Adoption of Remuneration Report (non-binding resolution)

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

- FY23 Revenues up 12% to \$42.4m, FY23 EBITDA loss of to \$2.0m, due to MEG write-offs. Importantly H2 FY23 EBITDA returned to profits.
- FY24 Revenues expected to be greater than \$44m and EBITDA to be greater than \$5m.
- 140+ 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 a market capitalisation of around \$40m.

FY2023 – Performance Review

- Revenue \$42.4m, EBITDA \$(2.0)m, NPAT \$(6.1)m - H2 FY23 EBITDA returns to profit

	FY23	FY22	Variance	Comment
Revenue	\$42.4m	\$37.8m	12%	Revenues improve as the company's diversified revenue streams (geographic and product) improved despite softness in the US market and DWL China-based business.
EBITDA	\$(2.0)m	\$3.3m	N/A	Profitability, as represented by EBITDA, declined largely because of the decision to expense costs associated with the MEG business in H1 FY23. The business restored EBITDA profitability in H2 FY23.
NPAT	\$(6.1)m	\$1.4m	N/A	NPAT was a loss largely because of the matters impacting EBITDA, which related to MEG write-offs, but also impacted by higher finance costs in FY23.

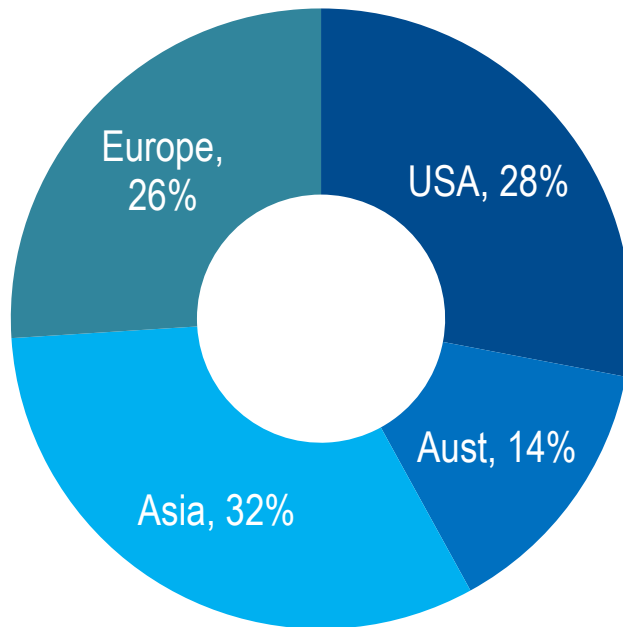
FY2023 – Highlights

- **Core Business** Revenues grew 12% to a record \$42.4m for FY23, compared to \$37.8m in FY22. Despite a full-year FY23 EBITDA loss of (\$2.0), driven by MEG write-offs, EBITDA returned to profit in H2 FY23 at \$2.8m. Substantial investment in commercialisation activities associated with both the Somfit and MEG step-out growth opportunities continued, particularly as the issues around MEG were largely resolved in H2 FY23.
- **Somfit** Compumedics has commenced sales of Somfit in Australia as announced to the ASX on 3rd and 7th of July 2023. Somfit orders taken in FY23 were \$1.2m, including shipped and invoiced Somfit sales of \$0.6m. This was achieved from a NIL base in FY22. The focus for Somfit will be continued market expansion in Australia and New Zealand for H1 FY24. This focus will expand to the EU and then the USA, once USA FDA clearance is received.
- **Nexus 360** SaaS platform generated revenues of A\$1.7m in FY23, up 31% from \$1.3m in FY22. Contracted Nexus 360 services have an annualised revenue run-rate approaching \$3.0m as FY23 closed.
- **MEG** The MEG system for TJNU moves through technical milestones to be ready for shipment and installation during November 2023

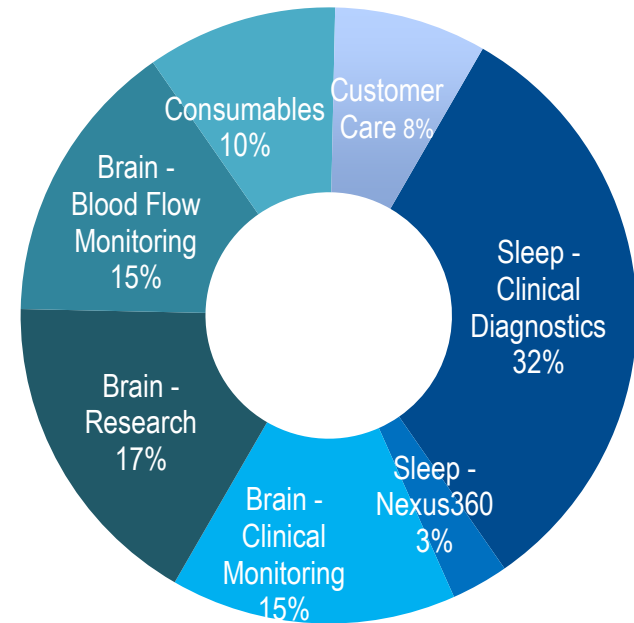
Revenue Composition at \$42.4m

30 June 2023 – Geographic and product diversification serves us well

By geographic region



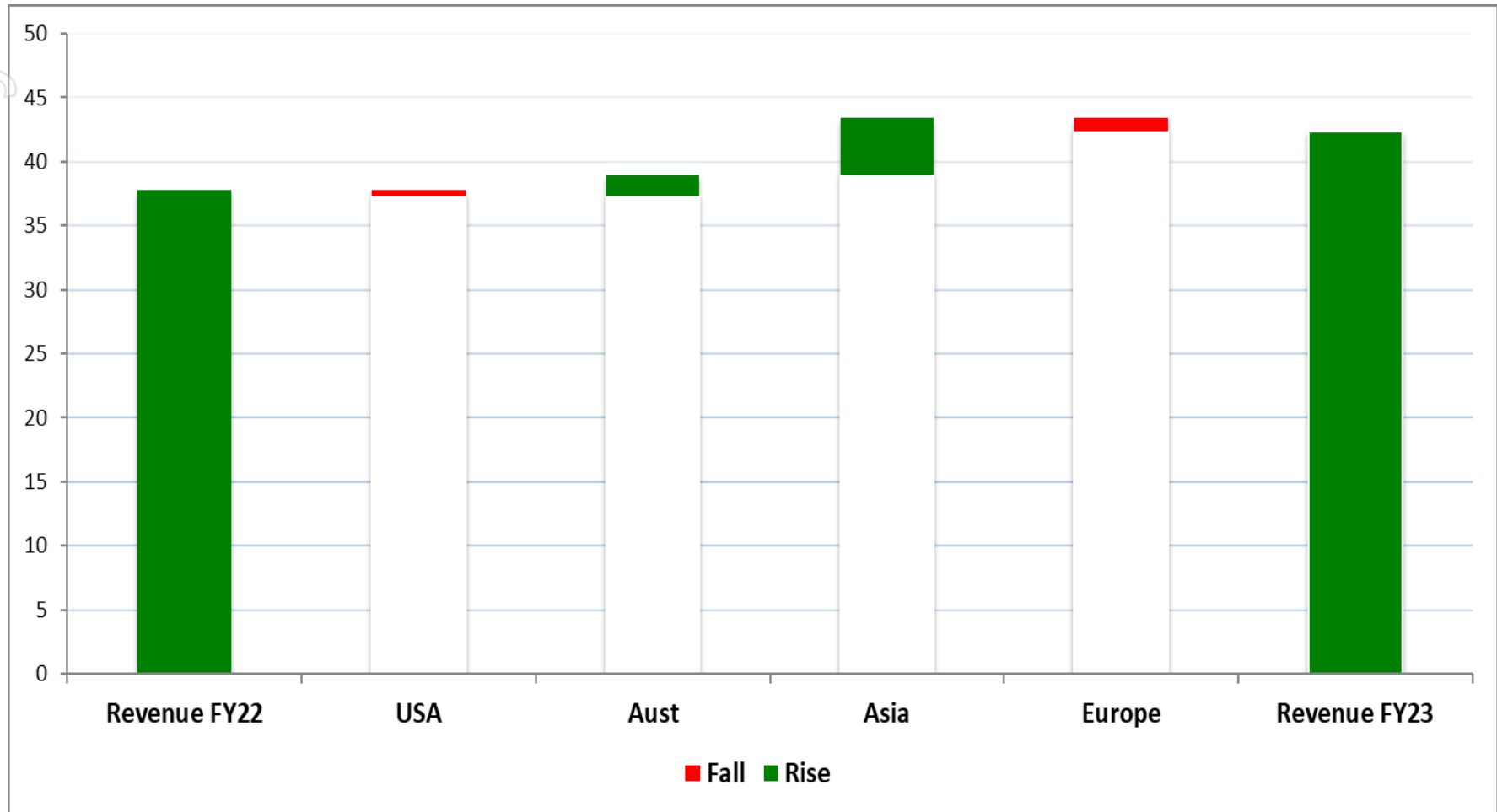
By product/market



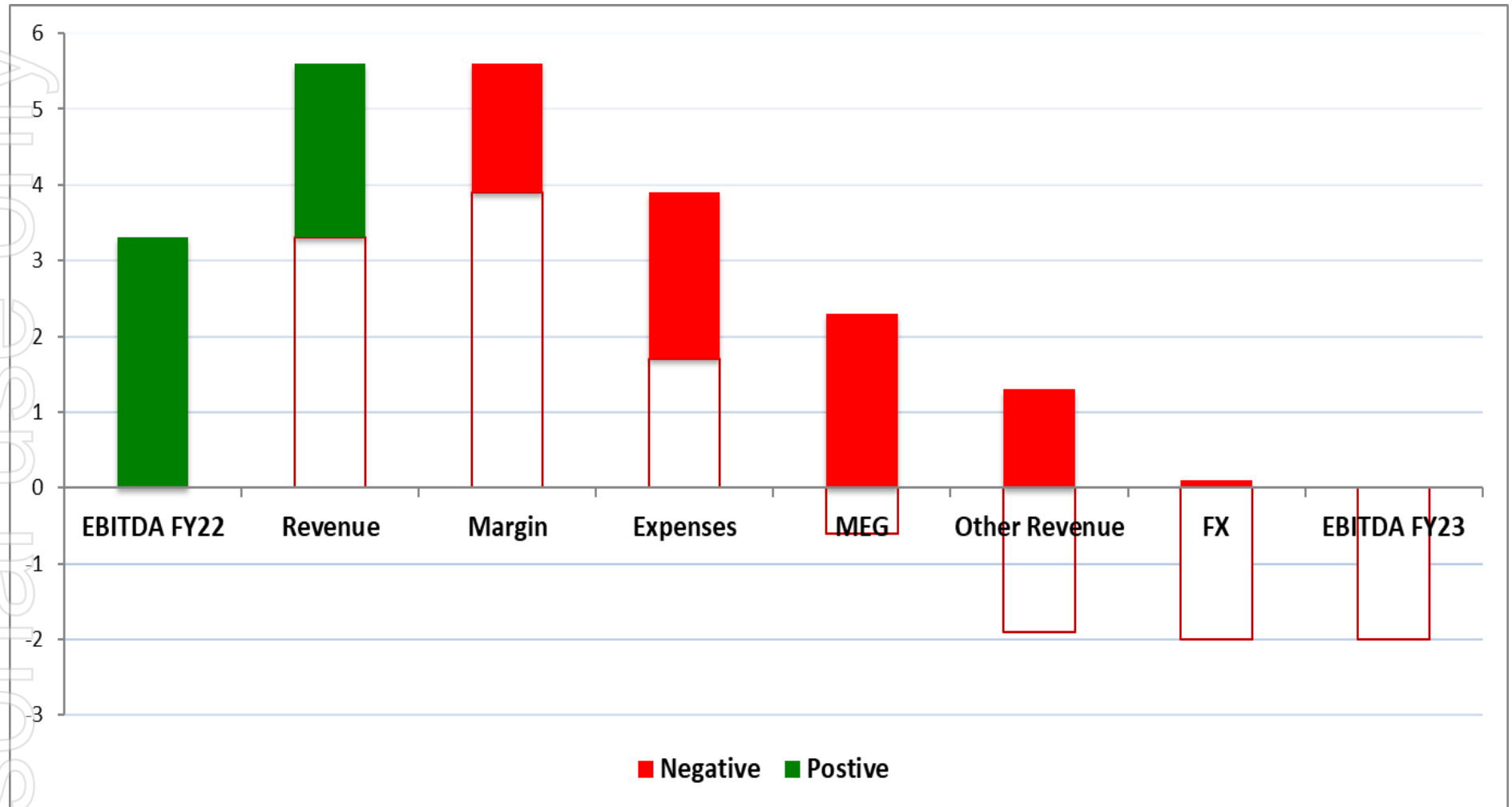
Software upgrades 5 to 10% of system revenues.

Compumedics sells directly to end-user customers in Australia, USA, France and Germany and through its network of more than 100 distributors to all other parts of the world

Revenue Bridge Chart – FY22 to FY23



EBITDA Bridge Chart – FY22 to FY23



Core Business: early FY24 pointers

➤ Q1 FY24 sales orders taken are 23% higher than same time last year, driven by strong growth in Australia because of the initial commercialisation of Somfit

➤ The MEG system is currently being installed at TJNU in China and as a result Q1 FY24 invoiced revenues are 115% higher than same time last year at \$13.5m. Excluding the MEG sale of \$4.7m Q1 FY24 invoiced revenues are 40% higher than same time last year, driven by initial Somfit sales in Australia, and a solid start to FY24 from our Asia-based business

➤ The US business remains below expectations and several changes have recently been made, including the hiring of a new Vice President of Sales, with significant sleep and neurological diagnostic and monitoring sales and sales management experience.

➤ The DWL business is currently resolving distribution challenges in China that have slowed sales to China temporarily for the DWL business.

Core Business: early FY24 highlights

- Australia-based Okti sales expand as key hospitals move to our latest generation neurological monitoring platform
- Okti is a 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
- Okti received FDA clearance in February of this year and the USA business is building the pipeline for business, with initial sales occurring in H1 FY24
- Traditional capital equipment EEG market in the US estimated at approximately USD400m pa. Okti provides Compumedics a compelling advantage to convert customers and grow our existing market share to a more substantive market share



Core Business: FY24 drivers

- Compumedics will launch Falcon HST at the Australian Sleep Meeting in Adelaide next month. Falcon is a new generation of home or professional user experience for the home sleep testing (HST) market
- Falcon HST 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: FY24 drivers

Falcon HST – market drivers

- Falcon HST is pending FDA in the USA
- 26% of adults worldwide, including 54M in the US alone, suffer from sleep apnoea. 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 are likely to grow to 50% of total sleep testing market from 22% pre-pandemic



Somfit – FY24 drivers

Several near-term opportunities have been identified for Somfit. There are three key benefits to targeting these shorter-term opportunities:

- Profitable short-term revenues are a real-life validation of the system and marketing strategy
- Profitable short-term revenues can fund additional targeted product development
- Profitable short-term revenues can be used to leverage new capital to accelerate the product development and marketing strategies

The key opportunities are as follows:

1. Somfit Pro as an OSA HST device (Australia) - Reimbursable
2. Somfit GP – Somfit 7-day Sleep Health management studies targeted at GP's (Australia) – Non-reimbursable
3. Somfit/Somfit Pro as a clinical trial tool in the development of new pharmaceutical therapies (Global) – Non -reimbursable
4. Somfit as an OSA HST device (USA) – reimbursable and non-reimbursable opportunities
5. Somfit/Somfit App based diagnostic and therapy tool for Insomnia (Australia and US) – reimbursable and non-reimbursable opportunities

MEG – FY24 drivers

- The MEG system for TJNU in China has moved through major technical milestones and shipped to TJNU during Q1 FY24
- The TJNU system is currently being installed on site and is expected to be completed late November, early December 2024
- The Company will book \$4.7m for the TJNU sale as revenue for H1 FY24
- The Company will pursue other MEG opportunities as TJNU is installed. These presently include additional opportunities in Asia and the Middle East

Directors & Executive Team Key Management



Rod North
Non-Executive Director
CMP Tenure 1 year



David Burton, Ph.D.
Executive Chairman, CEO
Founder, Tenure 36 yrs



Mr. David Lawson
Chief Financial Officer
& Company Secretary
CMP Tenure 24 yrs



Mr. Warwick Freeman
Chief Technology Officer
CMP Tenure 30 yrs



Kerry Hubick, Ph.D.
Trademark, Patent &
General Legal Attorney
CMP Tenure 16 yrs



Mr. Christoph Witte
General Managing Director
Compumedics Germany GmbH
CMP/DWL - Tenure 30 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

FY24 guidance: FY24 revenues forecast to be greater than \$44m and EBITDA to be greater than \$5m.

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THANK YOU

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