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saluda MEDICAL

Prospectus

Saluda Medical, Inc.
ARBN 691 140 360

Initial public offering



BELL POTTER
Underwriter, Sole Bookrunner and Joint Lead Manager

morgans E&P
Joint Lead Managers

CommSec
Co-Manager

Important information

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General

Saluda Medical, Inc. (**Saluda**; **Company**) is a company incorporated in the State of Delaware in the U.S. and registered in Australia as a foreign company (ARBN 691 140 360). Applicants purchasing CHESS Depositary Interests (**CDIs**) in the Company under the Offer will receive a holding statement for CDIs in the Company. Please refer to Sections 8.9 and 12.8 for further information about CDIs.

Defined terms and abbreviations (including technical terms and abbreviations) used in this Prospectus have the meanings given in the Glossary in Section 14.

Offer

The Offer contained in this Prospectus is an invitation to acquire CDIs (representing Shares) in the Company. This Prospectus is issued by Saluda for the purposes of Chapter 6D of the Corporations Act.

Expiry day

No CDIs will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Prospectus

This Prospectus is dated 7 November 2025 and a copy of this Prospectus was lodged with ASIC on that date. Neither ASIC, the ASX nor any of their officers take any responsibility for the contents of this Prospectus or for the merits of the investment to which this Prospectus relates.

A paper copy of this Prospectus is available to Australian residents, free of charge, by calling the Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEDT) during the Offer Period. This Prospectus is also available in electronic form to Australian residents at www.computersharecas.com.au/saludaipo. The Offer constituted by this Prospectus in electronic form is only available to persons in Australia. It is not available to persons in other jurisdictions (including the U.S.). Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus. If you are unsure about the completeness of this Prospectus received electronically, or a print-out of it, you should contact the Company.

Applications for CDIs under this Prospectus may only be made on the Application Form attached to or accompanying this Prospectus in its hard copy form, or its soft copy form which must be downloaded in its entirety from www.computersharecas.com.au/saludaipo. By making an Application, you declare that you were given access to this Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus. Refer to Section 8.8 for further information about Applications.

Application for admission and quotation on the ASX

Within seven days after the date of this Prospectus, the Company will apply to be admitted to the Official List of the ASX and for quotation of the CDIs on the ASX. The fact that the ASX may admit the Company to the Official List is not to be taken in any way as an indication of the merits of the CDIs, the Offer or the Company.

Exposure Period

The Corporations Act prohibits the Company from processing Applications in the seven day period after the date of lodgement of this Prospectus with ASIC (**Exposure Period**). This period may be extended by ASIC for a further period of up to seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds under the Offer. The examination may result in the identification of certain deficiencies in this Prospectus, in which case Applications may need to be dealt with in accordance with section 724 of the Corporations Act.

Applications received under this Prospectus during the Exposure Period will not be processed until after the expiry of the Exposure Period.

Note to U.S. residents

The CDIs offered under this Prospectus have not been registered under the U.S. Securities Act of 1933 as amended (**U.S. Securities Act**), or under any state securities laws. The CDIs may not be offered, sold, pledged, or otherwise transferred, directly or indirectly in the United States or to, or for the account or benefit of, any U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and applicable state securities laws. In addition, any hedging or similar transactions in the CDIs may not be conducted unless in compliance with the U.S. Securities Act.

This Prospectus may be distributed, and the CDIs will only be offered and sold, in the United States (i) by the Company to "accredited investors" (as defined in Rule 501(a) under the U.S. Securities Act) and (ii) by a registered U.S. broker-dealer affiliate of a Bell Potter to institutional "accredited investors" (within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the U.S. Securities Act) and only if this Prospectus is accompanied by a U.S. Offering Circular.

Resale restrictions under U.S. law

The Offer is being made available to investors outside the United States in reliance on the exemption from registration afforded by Regulation S under the U.S. Securities Act for offers and sales which are made outside the United States to non-U.S. persons.

The CDIs issued under the Offer will be 'restricted securities' under Rule 144 of the U.S. Securities Act. This means that you will not be permitted to sell the CDIs issued to you under the Offer into the United States or to a U.S. person for a period of at least 12 months from the date of allotment of the CDIs under the Offer, unless the resale of the CDIs is registered under the U.S. Securities Act or an exemption is available. Please refer to Section 12.14 for further information.

The Company has requested that all CDIs issued under the Offer bear a designation on the ASX to enforce these restrictions. This designation is intended to prevent any CDIs from being sold on the ASX to U.S. persons. However, you will still be able to freely transfer your CDIs on the ASX to any person other than a U.S. person. The Company cannot provide any assurances as to when this designation will be lifted from the CDIs. Refer to Section 12.14 for further information on the restrictions which will be placed on the Company's CDIs.

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Representations and warranties of non-U.S. Person status

All non-U.S. Persons subscribing for CDIs under the Offer will be required to make certain representations and warranties regarding their status as non-U.S. Persons in their Application for CDIs under the Offer. Please refer to Section 12.14.3 of this Prospectus for further information.

Other foreign jurisdictions

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make an offer. No action has been taken to register or qualify the CDIs or the Offer under this Prospectus, or to permit a public offering of CDIs, in any jurisdiction other than Australia.

The Offer is not being extended to any investor outside of Australia, other than to Institutional Investors as part of the Institutional Offer in certain jurisdictions. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any such restrictions. See Section 8.14 for international offer restrictions.

Any failure to comply with such restrictions may constitute a violation of applicable laws. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty made by the Applicant to the Company that the Applicant has not breached such laws.

Financial information and amounts

The Historical Financial Information included in this Prospectus has been prepared and presented in accordance with accounting principles generally accepted in the United States of America (**U.S. GAAP**) and is expressed in U.S. dollars, except where otherwise stated. The financial amounts referred to in this Prospectus are expressed in U.S. dollars unless stated otherwise.

This Prospectus also includes Forecast Financial Information based on the best estimate assumptions of the Directors. The basis of preparation and presentation of the Forecast Financial Information, to the extent relevant, is consistent with the basis of preparation and presentation for the Historical Financial Information. The Forecast Financial Information presented in this Prospectus is unaudited.

Some numerical figures included in this Prospectus have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

Forward looking statements

This Prospectus may contain forward looking statements (statements as to the future) which are typically identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', 'anticipates', 'intends' and other similar words.

You should consider that as such statements relate to future matters, they are subject to inherent risks, uncertainties and assumptions that could cause actual results or events to differ materially from those foreshadowed in the forward looking statement. Neither the Company, the Directors, nor any other person named, with their consent, in this Prospectus can assure you that any forward looking statement or projected result will be achieved.

Industry Data

This Prospectus, including the overviews of the industry and the markets in which the Company operates in, uses market data, industry forecasts and projections (**Industry Data**).

Certain Industry Data has been prepared by the Company using both publicly available data and internally generated data (including industry research). The Company's internally generated data is based on estimates and assumptions that both the Directors and the Company's management believe to be reasonable, as at the date of this Prospectus. The Company's estimates involve risks and uncertainties and are subject to change based on various factors, including those described in the risk factors set out in Section 4. As indicated in this Prospectus, certain information has been sourced from SmartTrak. The Company has not obtained the consent of this author for the inclusion of such information in reliance on *ASIC Corporations (Consents to Statements) Instrument 2016/72*.

Reliance

No person is authorised to give any information or make any representation in connection with the Offer that is not contained in this Prospectus. Investors should not rely on any information which is not contained in this Prospectus in making a decision as to whether to acquire securities in the Company under the Offer. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company, the Directors of the Company, or any other person in connection with the Offer. The Company's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

Privacy

By completing an Application Form, you are providing personal information to the Company and the Registry, which is contracted by the Company to manage Applications, and consent to the collection and use of that personal information in accordance with these terms. If you do not wish to provide this information, the Company may not be able to process your Application. The Company and the Registry will collect, hold and use your personal information in order to assess and process your Application, and if successful, administer shareholdings in the Company.

The Company and the Registry may disclose your personal information, for purposes related to your investment, to their agents and service providers, including:

- the Joint Lead Managers in order to assess your Application;
- the Registry for ongoing administration of the Company's registers;
- the printers and the mailing house for the purposes of preparation and distribution of statements and for handling of mail; and
- legal and accounting firms, auditors and other advisers for the purpose of administering and advising on the CDIs for associated actions.

Under the *Privacy Act 1988* (Cth), you may request access to your personal information that is held by, or on behalf of, the Company. You can request access to your personal information or obtain further information about the Company's privacy practices by contacting the Company, or the Registry, details of which are set out elsewhere in this Prospectus.

Important information continued

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The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Company or the Registry if any of the details you have provided change.

Reference to time

All references to time in this Prospectus refer to Australian Eastern Daylight Time, unless stated otherwise.

Photographs and diagrams

Photographs used in this Prospectus which do not have any descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company.

Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available as at the date of this Prospectus.

Investment decision

The information in this Prospectus is not financial product advice or a recommendation to acquire securities in the Company and has been prepared without taking into account the objectives, financial situation or needs of individuals. This Prospectus should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial products.

This Prospectus is important and should be read in its entirety prior to making an investment decision. If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should consult a licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest in the Company. There are risks associated with an investment in the Company and the CDIs offered under this Prospectus should be regarded as a speculative investment. You should consider the risk factors set out in Section 4 of this Prospectus in light of your personal circumstances (including financial and tax issues). There may also be risk factors in addition to these that should be considered in light of your personal circumstances.

Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Regulation of Saluda

As Saluda is not established in Australia, its general corporate activities (apart from any offering of securities in Australia) are generally not regulated by the Corporations Act or by ASIC but instead are regulated by Delaware General Corporation Law and all applicable U.S. securities laws. Please refer to Section 12.10 for information regarding the comparative differences between the U.S. and Australian law. Investors may consider these differences to be material to their investment decision.

Currency conversions

Where an amount is expressed in this Prospectus in Australian dollars and U.S. dollars, the conversion is based on the Indicative Exchange Rate (being A$1.00 = US$0.65). The amount when expressed in Australian dollars or U.S. dollars may change as a result of fluctuations in the exchange rate between those currencies.

Fully diluted figures

Except where the context otherwise requires, where a figure in this Prospectus is expressed to be, or to be based on, the "fully diluted" number of Shares in the Company, it takes into account Shares, and the issued Options, Warrants and RSUs on an as-converted basis (with the Restructuring assumed to occur on the scheduled Allotment Date).

Pre- and post-allotment figures

In this Prospectus, there are numerous references to the capital structure of the Company or figures which are based on the capital structure of the Company, at a particular point in time. Section 8.5.1 describes the capital structure of the Company in detail, including the events that will affect the capital structure on or about the time of allotment under the Offer and the U.S. Private Placement.

In other Sections of this Prospectus, except as otherwise stated:

- where a figure is expressed to be, or to be based on, the number of Shares or other securities on issue at the date of this Prospectus or immediately prior to allotment under the Offer, the figure is calculated on the bases that the Restructuring described in Section 12.7 is treated as having occurred (and occurred on the scheduled Allotment Date), and no Options or Warrants are exercised or lapse before allotment; and
- where a figure is expressed to be, or to be based on, the number of Shares or other securities immediately following allotment (or on Listing), the figure also takes into account the CDIs and Shares to be issued under the Offer and the U.S. Private Placement.



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Key information and important dates

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KEY DATES	
Lodgement of Prospectus with ASIC	Friday, 7 November 2025
Opening Date of Offer	Monday, 17 November 2025
Closing Date of Offer	Friday, 21 November 2025
Settlement Date of Offer	Friday, 28 November 2025
Allotment Date of CDIs and commencement of deferred settlement trading on the ASX	Monday, 1 December 2025
Expected dispatch of holding statements	Tuesday, 2 December 2025
CDIs expected to commence trading on a normal settlement basis on ASX	Friday, 5 December 2025

DATES MAY CHANGE

The above dates are subject to change and are indicative only. The Company reserves the right to change the dates and times of the Offer, including to close the Offer early, extend the Offer or accept late Applications, without notifying any recipient of this Prospectus or any Applicants, subject to the Corporations Act, the Listing Rules and other applicable laws. Applicants are encouraged to submit their Applications as early as possible after the Offer opens.

Any variations to the dates and times of the Offer will require the consent of the Joint Lead Managers (not to be unreasonably withheld).

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KEY OFFER STATISTICS

Ratio of CDIs per Share	10
Number of existing Shares on issue[1]	16,494,108 (equivalent to 164,941,080 CDIs)
Number of New CDIs available under the Offer and the U.S. Private Placement[2]	87,082,730
Offer Price for each New CDI	$2.65
Gross proceeds from the Offer	US$150,000,002.43 (A$230,769,234.50)
Total number of CDIs on issue at completion of Offer and the U.S. Private Placement[3] (on an undiluted basis)	252,023,810
Number of Options and RSUs to be issued on completion of the Offer (CDI equivalent)	38,006,070
Warrants on issue at completion of the Offer (over unissued Shares) (CDI equivalent)	2,637,380
Existing Options on issue at completion of the Offer (CDI equivalent)[4]	5,273,340
Total number of CDIs on issue at completion of Offer and the U.S. Private Placement (on a fully diluted basis)[6]	297,940,600
Indicative market capitalisation at completion of the Offer and the U.S. Private Placement (on an undiluted basis)[5]	US$434,111,012.73 (A$667,863,096.50)
Indicative market capitalisation at completion of the Offer and the U.S. Private Placement (on a fully diluted basis)[5,6]	US$504,119,355.35 (A$775,568,239.00)
Indicative enterprise value at completion of the Offer (on an undiluted basis)[7]	US$339,778,926.73 (A$522,736,810.35)
Indicative enterprise value at completion of the Offer (on a diluted basis)[7]	US$409,787,269.35 (A$630,441,952.85)
Indicative enterprise value (on a fully diluted basis)[7] / FY26F Total Revenue	5.0x

Notes:

1. The figure for existing Shares is calculated on the basis described under the heading "Pre- and post-allotment figures" in the Important Information section at the beginning of this Prospectus.
2. Of this figure, 85,770,490 CDIs are available under the Offer and 1,312,240 CDIs will be issued under the U.S. Private Placement.
3. Assumes all Shares are held as CDIs.
4. All Existing Options are out of the money relative to the Offer Price.
5. The indicative market capitalisation is determined by multiplying the applicable number of CDIs on issue (assuming all of the Shares are held in the form of CDIs) by the Offer Price per CDI. The CDIs may not trade at the Offer Price after listing on the ASX (**Listing**). If the CDIs trade below the Offer Price after Listing, the market capitalisation will be lower. Indicative market capitalisation at completion of the Offer on a fully diluted basis excludes the 5.3m Existing Options on issue which are out of the money relative to the Offer Price.
6. Fully diluted figures calculated on the basis described under the heading "Pre- and post-allotment figures" in the Important Information section at the beginning of this Prospectus.
7. Enterprise value is calculated as the indicative market capitalisation at Completion of the Offer (on a fully diluted basis excluding the 5.3m Existing Options on issue which are out of the money relative to the Offer Price), plus pro forma debt of US$71.4 million minus pro forma net cash of US$175 million as at 31 October 2025.

HOW TO INVEST

Completing and lodging an Application Form is the only way to apply for New CDIs. Instructions on how to apply for New CDIs are set out in Section 8.8 and on the back of the Application Form.

QUESTIONS

If you have any questions about the Application Form, please contact the Registry on 1300 850 505 (if calling within Australia) or +61 3 9415 4000 (if calling from outside of Australia) from 8:30am to 5:00pm (AEDT time) Monday to Friday.

If you have any doubt as to what to do in relation to the Offer, you should seek professional advice from a licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest in the Company.

Letter from the Chair

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7 November 2025

Dear Investor,

On behalf of the Directors of Saluda Medical, Inc. (**Saluda** or **Company**), I am pleased to invite you to become a securityholder in Saluda through this initial public offering (**Offer**).

Saluda is a U.S.-based, commercial-stage medical device company initially founded in Australia. We are focused on developing treatments for chronic neurological conditions using our novel neuromodulation platform grounded in over 15 years of research and development. In FY25, Saluda generated revenue of approximately US$70 million, and we are forecasting revenue of approximately US$82 million for FY26, reflecting strong growth in the U.S. driven by the continued adoption of the Evoke® System and expanding commercial execution.

As at the date of this Prospectus, Saluda has over 120 sales personnel in the U.S., with 63 fully trained and the remainder undertaking training. Our trained sales professionals operate across approximately 50 U.S. territories, supporting more than 250 active physicians (as at 30 June 2025), highlighting the growing reach of our commercial organisation in the U.S. Importantly, because Saluda's Evoke System minimises the therapy burden for patients, clinicians, and the sales team, we believe our sales force can achieve productivity levels exceeding spinal cord stimulation benchmarks (see section 5.7.2(d)).

We believe our system is the only spinal cord stimulation (**SCS**) system that can adjust therapy in real time with every stimulation pulse to maintain a target level of neural activation. The evidence supporting our Evoke System is underpinned by the world's first and only prospective, multi-centre, parallel-arm, double-blind, randomised controlled pivotal study in SCS, the EVOKE study. The EVOKE study demonstrated the clinical superiority of our system over the fixed-output, open-loop therapy, which is a mode of therapy delivery used in most commercially available SCS devices, which we refer to as standard SCS devices.

We commenced commercialising the Evoke System in the U.S. market with a soft launch in December 2022 and full launch in July 2023 following national reimbursement and major insurance coverage. We are still in the early stages of our commercialisation journey, and we are excited by the clinical outcomes we are delivering for patients and the support we have received by our physicians and payors alike.

We believe that the Evoke System represents a paradigm shift in the delivery of SCS therapy and we intend to leverage our neuromodulation platform to expand to other indications that are underserved within pain and, ultimately, into therapeutic areas beyond pain.

The funds raised under this Offer and the concurrent U.S. Private Placement will be used to:

- expand our U.S. commercial and sales infrastructure;
- drive adoption of the Evoke System and increase awareness among physicians and patients;
- advance new product development, including the planned paddle lead, a newly designed implantable pulse generator, other surgical hardware and future platform innovations; and
- support ongoing research, regulatory programs and working capital requirements.

Saluda operates in a large and underpenetrated market, estimated at more than US$18 billion in the United States, and we believe we have a clear opportunity to expand our presence in our current geographies (and in particular, the United States) through innovation, clinical leadership and strong commercial execution.

The Company is led by an experienced Board and management team with a proven track record in the medical device sector. Together, we are committed to building long-term value for our securityholders by executing our growth strategy and continuing to deliver life-changing therapies for patients.

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Under this Offer and the concurrent U.S. Private Placement, Saluda is seeking to raise approximately A$230 million at an Offer Price of A$2.65 per CDI. Following completion of the Offer, new investors are expected to hold approximately 35% of the CDIs on issue, with Directors and Key Managers holding 1.2% of the CDIs on issue, and the balance held by existing shareholders. Approximately 63% of all of Saluda's Shares and CDIs will be subject to escrow arrangements from listing.

This Prospectus provides detailed information about Saluda's technology (including its intellectual property portfolio)[1], the industry in which we operate, and our growth strategy in addition to the key risks associated with an investment in the Company. These include (but are not limited to) risks relating to commercialisation, reliance on key suppliers (most of which are single source), sales force expansion and productivity, clinician and patient adoption and protection of Saluda's intellectual property. In addition, Saluda has incurred substantial net operating losses since inception and expects to continue to do so for the foreseeable future as we expand our sales force and marketing efforts to increase adoption of the Evoke System, seek additional regulatory approvals, and continue to advance the Evoke System through new technology innovation and further products. As such, no assurance can be given that Saluda will be profitable or cash-flow positive in the future. Prospective investors should carefully read this Prospectus in its entirety and consult with their professional advisers before making an investment decision.

On behalf of the Board, I thank you for your interest in Saluda. We look forward to welcoming you as a securityholder and to your support as we enter the next exciting phase of Saluda's journey.



Douglas Godshall
Independent Non-Executive Chair

Saluda operates in a large and underpenetrated global market, estimated at more than US$23 billion …

Our trained sales professionals operate across approximately 50 U.S. territories, supporting more than 250 active physicians, highlighting the growing reach of our commercial organisation.

1. Refer to Section 10 (Intellectual Property Report) for further details.

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1. Investment overview

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1. Investment overview

1.1 INTRODUCTION

TOPIC	SUMMARY
Who is Saluda and what does it do?	Saluda is a United States-based commercial-stage medical device company focused on developing treatments for chronic neurological conditions using its novel neuromodulation platform. Saluda's closed-loop, dose-control platform is designed to sense and measure neural responses to stimulation and automatically adjust therapy based on real-time neurophysiological feedback. Saluda is initially focused on leveraging its platform to disrupt and grow the spinal cord stimulation, or SCS, market for chronic pain. Saluda's product, the FDA-approved Evoke® System, is designed to treat chronic neuropathic pain by providing SCS therapy that senses and measures neural activation to optimise therapy and reduce patient and clinician burden. Unlike standard SCS devices, which only provide fixed levels of stimulation, Saluda's system leverages evoked compound action potentials, or ECAPs, to measure the spinal cord's response to electrical stimulation and adjust the stimulation accordingly to achieve and continuously maintain a targeted level of neural activation. This ensures the therapy remains at the patient specific prescribed level of neural activation, providing consistent and effective outcomes. Saluda has conducted the first and only prospective, multi-centre, parallel-arm, double-blind, randomised controlled pivotal study with a voluntary crossover arm in SCS, the EVOKE study. In this pivotal study, Saluda demonstrated the clinical superiority of its system over the fixed-output, open-loop therapy used in most commercially available SCS devices, which Saluda refers to as standard SCS devices. Saluda believes that the Evoke System represents a paradigm shift in the delivery of SCS therapy and it intends to leverage its neuromodulation platform to expand to other indications that are underserved within pain and, ultimately, into areas beyond pain. *For more information refer to Section 3.*
What is Saluda's history?	Saluda Medical Pty Limited (ACN 145 902 272) (**Saluda Australia**) was originally incorporated in Australia in 2010. Saluda Australia was formed to commercialise technology developed in NICTA, formerly named National ICT Australia Ltd, which was Australia's Information and Communications Technology (ICT) Research Centre of Excellence (now part of the CSIRO). In 2023, Saluda incorporated in Delaware under the name Saluda Medical, Inc. and Saluda Australia became a wholly owned subsidiary of Saluda. The Company spent its early years developing its closed-loop technology for SCS, building its intellectual property portfolio and conducting early feasibility studies. The first in-human study was conducted in Australia in 2015 and 2016. Saluda undertook its pivotal study, the EVOKE study, between 2017 and 2019, following which Saluda received its first pre-market approval, or PMA, from the FDA for the Evoke System in 2022. In late 2022, Saluda initiated a commercial launch of the Evoke System in the United States. *For more information refer to Section 3.2.*
What industry does Saluda operate in?	Saluda operates within the market for the treatment of chronic neuropathic pain, and in particular, the SCS therapy market. SCS therapy is a minimally invasive and reversible treatment to treat patients with chronic neuropathic pain. SCS utilises an implantable pacemaker-like device to deliver electrical pulses to the dorsal column in the spinal cord. These electrical pulses are delivered via small electrodes on leads that are implanted in the epidural space near the spinal cord and are connected to a compact, battery-powered implantable pulse generator (IPG), under the skin. *For more information refer to Section 2.*

1. Investment overview continued

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TOPIC	SUMMARY
Why is the Offer being conducted?	The Offer is being conducted to: • fund the expansion of the Company's sales team in the U.S; • fund marketing and commercial support activities, including investments in market awareness, physician education and general support for U.S. commercial expansion; • fund product development and new indications, including research and development, engineering and third-party development costs; • support Saluda's quality system management, regulatory activities, and in process post-market clinical activities and non-pain related feasibility clinical studies; • provide Saluda access to listed capital markets to support future growth; • pay the costs of the Offer and the U.S. Private Placement; • fund interest payments related to Saluda's existing term debt facility; and • fund general working capital requirements. ***For more information refer to Section 8.4.***

1.2 KEY FEATURES OF THE EVOKE SYSTEM AND SALUDA'S BUSINESS MODEL

TOPIC	SUMMARY
What is the Evoke System?	Saluda's product is the FDA-approved Evoke® System. The Evoke System is also included in the ARTG in Australia and has CE marking in Europe. The Evoke System is a closed-loop SCS system designed for chronic pain management. The Evoke System has been approved by the FDA to aid in the management of chronic intractable pain of the trunk and/or limbs, including unilateral or bilateral pain associated with failed back surgery syndrome, intractable lower back pain and leg pain. Unlike standard SCS devices, which only provide fixed levels of stimulation, Saluda's system leverages ECAPs to measure the spinal cord's response to electrical stimulation and adjust the stimulation accordingly to achieve and continuously maintain a targeted level of neural activation. This ensures the therapy remains at the patient specific prescribed level of neural activation, providing consistent and effective outcomes. Within chronic pain, Saluda has branded its proprietary closed-loop technology as SmartLoop™. The Evoke System utilises SmartLoop, which Saluda believes makes it the only neuromodulation therapy that can deliver consistent spinal cord activation. To control neural activation, SmartLoop performs the following three critical steps, which occur with every stimulation pulse, up to 250 times per second: • *Stimulate the nerves* – once implanted, the Evoke System delivers electrical stimulation to the spinal cord, which activates neural fibres, thereby generating ECAPs and interrupting pain signals. • *Measure the nerve's response* – following a stimulation pulse, the Evoke System senses these ECAPs and uses them to measure and record the characteristics of the activated nerve fibres. Using ECAPs, Saluda's system can quantify the level of neural activation and determine a desired target neural dose to be set by the clinician. • *Control the neural dose on every pulse* – The Evoke System continuously compares the level of neural activation with the target level set by the clinician during programming and automatically adjusts the stimulation current of the next pulse to ensure a consistent level of neural activation. ***For more information refer to Section 3.3.***

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TOPIC	SUMMARY
What are the benefits of the Evoke System?	Saluda believes the Evoke System offers the following unique benefits: • *Objectively measures neural response to stimulation and automatically adjusts therapy* by leveraging Saluda's proprietary signal processing capabilities to measure, record and respond to ECAPs in real time thus providing more precise and consistent treatment. • *Superior long-term and durable efficacy* supported by the data from the EVOKE study, which showed long-term efficacy results out to 36 months from initial treatment and had zero explants due to loss of efficacy. • *Minimised therapy burden for patients* by reducing the patient's need to manually adjust stimulation levels and limiting the incidence of visits to the clinic for reprogramming. • *Minimised management burden for clinicians and Saluda's sales team* enabling clinicians to focus on treating new patients and Saluda's sales team to focus on building awareness and driving adoption. • *Meaningful improvements in holistic outcomes beyond pain relief,* including improvements in sleep, mood, disability and quality of life. • *An ability to deliver effective therapy in a wider range of anatomical positions in the spine* allowing clinicians to implant the leads in areas of the spine that historically have been avoided with standard SCS devices. ***For more information refer to Section 3.4. For information on standard SCS devices and their limitations refer to Section 2.5.***
What is Saluda's business and revenue model?	Saluda generates all of its revenue from the manufacturing and sale of the Evoke System (including its components) in the United States, Europe and Australia, with the majority of its revenue being generated out of the United States since FY24. Saluda markets and sells the Evoke System in the United States through a direct sales team (which includes a combination of territory managers and clinical specialists) to clinicians at hospitals and outpatient facilities that are involved in making treatment decisions for SCS patients. These facilities typically bill various third-party payors, including U.S. Medicare and commercial insurers, for the services provided to patients. Outside of the United States, Saluda also primarily sells the Evoke System through a direct sales team. Saluda currently only uses a distributor to sell its products in Spain but may expand its commercial presence in non-U.S. markets through the addition of distribution partners. The key dependencies of Saluda's business model include: • its ability to grow its trained sales force; • its reliance on key suppliers (most of which are single source); • the continued availability of adequate reimbursement; • growing awareness and adoption of SCS therapy; • the maintenance and protection of its intellectual property rights; and • future access to capital as it is required. In the future, Saluda expects to expand its revenues by the introduction of new indications and clinical use cases for the Evoke System, both within pain and beyond, and intends to explore the development and introduction of a remote pain management platform. ***For more information refer to Sections 3.10, 3.11 and 3.15 and the risks described in Sections 4.2.5, 4.2.6, 4.2.8, 4.2.11, 4.2.12, 4.2.19 and 4.2.25.***

1. Investment overview continued

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TOPIC	SUMMARY
What is the target market for Saluda?	Whilst Saluda markets the Evoke System in the United States, Europe and Australia, its primary commercial focus is on increasing adoption and penetration of the Evoke System in the United States. In 2024, the worldwide revenue for the SCS market was approximately US$2.67 billion, with US$2.16 billion, or approximately 81%, of that revenue generated in the United States.[2] It is further estimated that the potential SCS market in the United States in 2024 was approximately US$18.96 billion, covering predominant back pain, predominant leg pain and mixed back and leg pain.[3] Saluda is initially targeting interventional spine physicians in the U.S. specialising in pain treatment through minimally invasive procedures. If Saluda receives FDA approval of its newly designed paddle lead (expected in H1 of calendar 2026), Saluda will then also target neurosurgeons and orthopaedic surgeons, who generally prefer the surgical implantation of a paddle lead when performing an SCS procedure. *For more information refer to Section 2.7.*
Who are Saluda's competitors?	Saluda's main competition is manufacturers of standard SCS devices. Currently, Saluda's primary competitors in the SCS field include Abbott Laboratories, Boston Scientific Corporation, Medtronic plc, Nevro Corp., and Biotronik, Inc. Saluda also competes with other companies that aim to treat chronic neuropathic pain through other interventional techniques, including steroid injections, nerve blocks or nerve ablation and peripheral neurostimulation, as well as traditional pain management options, such as opioids. *For more information refer to Section 2.8.*
What is Saluda's growth strategy?	The key elements of Saluda's growth strategy include: • increasing awareness and driving adoption of the Evoke System; • expanding Saluda's commercial infrastructure in the U.S.; • continuing to advance the Evoke System through new technology innovation and further products (e.g. the paddle lead system, a newly designed implantable pulse generator, other surgical hardware and in the future, a potential remote pain management platform); • driving operating leverage (including through the promotion of minimal reprogramming required for the Evoke System, and gross margin expansion through reduced product costs from design, process, and sourcing efficiencies); and • continuing to pursue new indications in pain and beyond. *For more information refer to Sections 3.7 and 3.15.*
What are Saluda's material contracts?	Saluda's material contracts include its supply agreements with Integer Holdings Corporation, its single-source manufacturer of its IPG, and Heraeus Medical Components LLC, its single-source manufacturer of leads. Both agreements contain ordering and payment and shipping terms, customary provisions with respect to the ownership of any intellectual property created during the term of the agreement, certain indemnification rights in favour of both parties, limitations of liability and customary confidentiality provisions. Both agreements have termination rights if a party materially breaches the agreement and the breach is not cured within a specified period, or upon a party's bankruptcy. Saluda also has US$125 million financing facility with Perceptive Credit Holdings IV, LP (the **Perceptive Term Loan**), of which US$75 million has been drawn. A detailed summary of the Perceptive Term Loan is contained in Section 9.4. *For more information refer to Section 9.*

2. SmartTRAK Q424/FY24 Neuromodulation Recap; SmartTRAK. US Spinal Cord Market Forecast.
3. SmartTRAK. Potential US SCS Market by Pain Type.

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1.3 KEY INVESTMENT HIGHLIGHTS

TOPIC	SUMMARY
Highly differentiated neuromodulation platform	Saluda has built a novel neuromodulation platform designed to measure the unique neural biomarkers of a patient for the treatment of chronic neurological conditions. Leveraging its core competency in signal processing, Saluda's closed-loop, dose-control neuromodulation platform is designed to sense and measure neural responses to stimulation and automatically adjust therapy based on real-time neurophysiological feedback. Saluda has developed this core competency through over 15 years of scientific and clinical research and believes the unique capabilities of its platform have wide applicability across several therapeutic areas. Saluda is initially focused on leveraging its platform to disrupt and grow the SCS market for chronic pain. Saluda believes the Evoke System is the only neuromodulation therapy that can sense and measure neural activation to optimise and maintain a prescribed neural dose by adjusting therapy in real-time with every stimulation pulse, up to 250 times per second. *For more information refer to Sections 3.1, 3.3 and 3.4.*
Superior, long-term clinical outcomes in SCS	The EVOKE study is the first and only prospective, multi-centre, parallel-arm, double-blind, randomised controlled pivotal study with a voluntary crossover arm in SCS. In this study, the Evoke System demonstrated clinically superior pain relief to open-loop therapy at three and 12 months, with sustained pain relief and improved quality of life measures continuing to 36 months. Saluda's clinical data has been published in premier medical journals, including The Lancet Neurology and JAMA Neurology. Saluda believes that its clinical data will continue to drive adoption of the Evoke System and grow the SCS market for chronic neuropathic pain. *For more information refer to Section 3.8.*
Reducing the therapy burden and driving a more efficient commercial model	Saluda's system is designed to continuously and automatically adjust stimulation to provide the optimal level of therapy for each patient, to provide maximum analgesic effect and reduce the therapy burden for clinicians and patients. For example, Saluda's system reduces the patient's need to manually adjust their level of SCS stimulation throughout the day and the number of times a patient needs to return to the clinic for reprogramming. The reduction in the need for reprogramming may also improve clinician operational workflow and practice efficiency enabling clinicians to focus on attracting new patients to SCS. In addition, Saluda developed EVA™, a software application designed to automate parts of the patient programming process, enhance the consistency of dosing, further improve analgesic effect, simplify the workflow of the programming process and further reduce the reprogramming burden. Saluda believes that the high reprogramming burden of standard SCS devices has made it challenging for manufacturers of these devices to drive operating leverage given a large commercial infrastructure is required to assist clinicians and patients in managing their reprogramming needs. Saluda believes that the unique benefits of its system will enable it to build an efficient commercial organisation and strengthen its operating leverage. *For more information refer to Sections 3.4, 3.5.6 and 3.5.7.*
Large and underpenetrated existing SCS market opportunity	Although SCS therapy is well established, Saluda believes that the worldwide SCS addressable patient population is only approximately 6% penetrated due to the lack of general awareness of the potential clinical benefits of SCS therapy and the limitations of standard SCS devices. Saluda believes that the Evoke System specifically addresses many of the limitations of standard SCS devices and has the ability to drive market penetration and accelerate market growth for SCS therapy. Saluda estimates that the potential SCS market worldwide in 2024 was approximately US$23.4 billion.[4] *For more information refer to Section 2.7.*

4. Calculated on the basis that the U.S. represented approximately 81% of worldwide SCS revenues in 2024 and the potential U.S. SCS market in 2024 was estimated by SmartTRAK to be US$18.96bn. See footnotes 1 and 2.

1. Investment overview continued

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TOPIC	SUMMARY
Well-established reimbursement	SCS is a known therapy with well-established reimbursement in the United States. The Evoke System is covered by all major commercial payors and Medicare, providing broad patient access to Saluda's system. *For more information refer to Section 3.11.*
Broad research and development capabilities and a robust intellectual property portfolio	Saluda is committed to continuing to innovate its neuromodulation platform and has invested significant resources in building upon its research and development capabilities. In particular, Saluda has significant software expertise in physiologic closed-loop control system development and data analytics and believes this to be a core competency and differentiator of the Company. Saluda believes these technical capabilities will enable it to deliver future hardware and software enhancements, as well as expand its offerings into other indications. Saluda has an extensive intellectual property portfolio, including patents, know-how and trade secrets. Saluda believes that its technical expertise and extensive intellectual property portfolio presents a significant competitive advantage. *For more information refer to Sections 3.12, 3.14 and 10.*
High quality and experienced board and management	Saluda is led by a highly experienced management team and Board with significant years of active involvement in the medical device market and a track record of success in developing and delivering innovative products to physicians and their patients. *For more information refer to Sections 7.1 and 7.2.*

1.4 FINANCIAL INFORMATION

TOPIC	SUMMARY
What is Saluda's key financial information?	**P&L summary** The information in respect of the historical performance of Saluda should not be regarded as an indication of the future performance of Saluda. Prospective investors should be aware that there is no certainty that the future performance of the Company will be similar to the historical performance of the Company.

Summary of Historical and Forecast Financial Information

PRO FORMA HISTORICAL AND FORECAST INCOME STATEMENTS (US DOLLARS) $'000	FY23 PRO FORMA	FY24 PRO FORMA	FY25 PRO FORMA	FY26F PRO FORMA
Revenue	22,234	51,682	70,356	81,883
Net Operating Profit/(Loss)	(92,222)	(99,136)	(118,051)	(137,628)
Adjusted EBIT[1]	(85,961)	(95,400)	(104,022)	(117,332)
Adjusted EBITDA[2]	(83,652)	(92,772)	(101,416)	(114,712)
Pro forma NLAT	(92,164)	(97,827)	(128,691)	(145,528)

Notes:

1. Stock based compensation has been added back to Net Operating Profit/ (Loss) to derive adjusted EBIT.
2. Depreciation and amortisation included within the respective cost categories has been added back in total to Adjusted EBIT to derive adjusted EBITDA.

The Pro forma Financial Information presented above contains non-US GAAP financial measures and is intended as a summary only and should be read in conjunction with the more detailed discussion on the Financial Information disclosed in Section 5, including the assumptions, management discussion and analysis and sensitivity analysis, as well as the risk factors set out in Section 4.

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TOPIC	SUMMARY
What is Saluda's key financial information? continued	

Statutory Historical and Forecast Income Statements (US dollars)

$'000	FY23 STATUTORY	FY24 STATUTORY	FY25 STATUTORY	FY26F STATUTORY
Revenue	22,234	51,682	70,356	81,883
Net Operating Profit/(Loss)	(92,222)	(99,136)	(118,051)	(142,160)
Statutory NLAT	(92,164)	(97,827)	(149,302)	(150,060)

Notes:

The Statutory NLAT has been adjusted for the below in order to derive Pro forma NLAT as presented above:

1. Addback of loss on issuance of convertible notes and interest on convertible notes as the convertible notes converted to common stock as part of the Bridge Financing.
2. Addback of costs relating to restructure and deferred costs related to potential U.S. financing which were previously capitalised in FY25 and now intended to be written off on the Income Statement in FY26F.

For more information on historical and forecast financial performance, see refer to Sections 5.3, 5.4, 5.5 and 5.7.Financial position summary

Based on the audited consolidated statement of financial position as at 30 June 2025, as a result of the Offer and the pro forma adjustments as described in further detail in Section 5.9 of this Prospectus, the Company will have:

$000'S (USD)	NOTE	AUDITED 30 JUNE 2025	PRO FORMA ADJUSTMENTS	PRO FORMA 30 JUNE 2025
Total current assets	1,2,5,6	117,316	122,066	239,382
Total non-current assets		11,349	–	11,349
Total assets		128,665	122,066	250,731
Total current liabilities	3	(156,862)	129,836	(27,026)
Total non-current liabilities		(77,346)	–	(77,346)
Total liabilities		(234,208)	129,836	(104,372)
Net (liabilities)/assets		(105,543)	251,902	146,359
Total equity	1,2,3,4,5,6	**(105,543)**	**251,902**	**146,359**

Notes:

1. Operating cash burn of US$33.6m for Q1FY26, per the forecast cash flow.
2. Bridge Financing from a syndicate amounting to US$15 million to cover the operational funding requirements prior to the Offer in light of operating cash burn as highlighted above, as an equity settlement and issue of common stock.
3. Conversion of convertible notes including accrued interest.
4. Conversion of preferred stock upon receipt of the Bridge Financing.
5. Capital raise amounting to US$150 million, representing approximately 8.7 million Shares/approximately 87.1 million CDIs at A$26.50 per Share/A$2.65 per CDI.
6. Expenses associated with the completion of the Offer is estimated at US$9.3 million, of which US$0.2m is to be charged to the P&L and US$9.1 is to be set off against equity.

For more information refer to Section 5.

1. Investment overview continued

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1.5 SUMMARY OF KEY RISKS

Saluda is subject to a variety of risks, some of which are specific to its business activities and some of which are more general in nature. The risks described in Section 4, some of which are summarised below, are some of the potential risks associated with Saluda's business and the industry in which Saluda operates and risks associated with an investment in CDIs. It does not purport to list every risk that may be associated with Saluda's business or the industry in which it operates, or an investment in Saluda now or in the future.

An investment in Saluda is speculative and you should consult your professional advisers before deciding whether to apply for CDIs.

TOPIC	SUMMARY
Limited operating history and a history of net losses	Saluda only recently began commercial operations, launching the Evoke System in select European countries in late 2019, in Australia in 2021, and in the U.S. in early 2023. This limited history operating as a commercial company makes it difficult to accurately assess the Company's prospects. Since inception, Saluda has incurred substantial net losses and expects to continue to incur losses for the foreseeable future. Achieving and sustaining profitability will require substantial additional revenue to be generated, and there is no assurance that Saluda will ever do so. ***For more information refer to Section 4.2.1.***
Successful commercialisation of the Evoke System	All of Saluda's current and anticipated revenue is derived exclusively from sales of the Evoke System, Saluda's only product approved for sale in any jurisdiction. The Company has no other products on the market, and there is no assurance that the Evoke System or any future products will achieve or sustain commercial success. If Saluda is unable to successfully market and sell the Evoke System, Saluda's business prospects will be significantly harmed. ***For more information refer to Section 4.2.2.***
Limited sales and marketing experience	Saluda has limited experience marketing and selling the Evoke System. If Saluda is unable to expand, manage and maintain its direct sales and marketing capabilities in the United States and internationally, it may negatively affect Saluda's ability to generate revenue growth. ***For more information refer to Section 4.2.3.***
Rapid organisational growth	Saluda has rapidly increased the size of its commercial organisation, particularly in the U.S. and expects to increase it further in the future. Scaling operations to meet rising demand will require improvements in customer service, billing, quality assurance, and compliance. Failure to effectively manage these growth-related challenges could result in higher costs or an inability to meet increased demand. ***For more information refer to Section 4.2.4.***
Key suppliers	Saluda depends on third-parties and suppliers (including suppliers located in politically sensitive regions, such as China), most of which are single source, to produce and package many elements comprising the Evoke System. Any failure by the Company's suppliers and manufacturers to supply the Evoke System or its components or subcomponents in sufficient quantities, at acceptable prices or at all, could result in lost revenue, reputational harm and increased costs. ***For more information refer to Section 4.2.5, the summary of the Supply Agreement with Integer in Section 9.2 and the summary of the Supply and Purchase Agreement with Heraeus Medevio in Section 9.3.***
Reimbursement	Adequate reimbursement may not be available or may be subject to change for the Evoke System or any future products Saluda commercialises, which could diminish Saluda's sales, increase its competition, or adversely affect its ability to sell its currently marketed Evoke System and any future products profitably. ***For more information refer to Section 4.2.6.***

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TOPIC	SUMMARY
Competition	Saluda faces significant competition, and if it is unable to compete effectively, Saluda may not be able to achieve or maintain significant market penetration or improve its operating results. ***For more information refer to Section 4.2.7.***
Acceptance of SCS therapy	The commercial success of the Evoke System depends on the acceptance of SCS therapy among hospitals, ASCs, clinicians, patients and payors. If Saluda fails to expand market awareness and acceptance, the adoption of the Evoke System may stall and adversely affect operating results. ***For more information refer to Section 4.2.8.***
Expanding approved indications and introducing additional products	Saluda's long-term growth relies on its ability to enhance the Evoke System and expand its approved indications and develop and commercialise additional products. If Saluda is not successful in developing, obtaining regulatory approval for and commercialising new products and enhancements and expanding indications as anticipated, Saluda may be unable to grow its business. ***For more information refer to Section 4.2.9.***
Product pricing and margins	Saluda may not be able to achieve satisfactory prices for its products or maintain prices at the levels they have historically achieved. If Saluda is forced to lower its prices without a corresponding reduction in costs, Saluda's gross margin on products will decrease. This would impact Saluda's ability to invest in product development and commercial growth will be impaired. ***For more information refer to Section 4.2.10.***
Reliance on direct sales force	Saluda relies on its own direct sales force to market and sell the Evoke System. If Saluda is unable to attract and retain a sufficient amount of qualified sales and marketing personnel, it may impact the adoption of the Evoke System and negatively impact Saluda's revenues. Additionally, the fixed costs of a direct sales force may slow Saluda's ability to reduce costs if there was a sudden decline in demand for the Evoke System. ***For more information refer to Section 4.2.11.***
Dependence on senior management team	Saluda depends on its senior management team and the loss of one or more key employees or an inability to attract and retain highly skilled employees may negatively affect Saluda's business. ***For more information refer to Section 4.2.12.***
Managing quality issues	Saluda must adequately address any quality issues that may arise with the Evoke System. Although Saluda has established internal procedures designed to minimise risks that may arise from quality issues, there can be no assurance that Saluda will be able to eliminate or mitigate occurrences of these issues and associated liabilities. If the quality of the Evoke System does not meet expectations, then Saluda's brand and reputation with those clinicians or patients could be adversely affected. ***For more information refer to Section 4.2.14.***
Clinical studies	Clinical studies are necessary to support new PMAs and may be necessary to support PMA supplements for modified versions of Saluda's marketed products. Conducting clinical studies is a complex and expensive process, can take many years, and outcomes are inherently uncertain. ***For more information refer to Section 4.2.16.***

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TOPIC	SUMMARY
Potential addressable market	Saluda's estimates of the annual total addressable market for the Evoke System are based on a number of internal estimates, third party reports, and publicly available information, including information from other SCS companies, estimates of the number of patients with chronic pain who can potentially benefit from, and qualify for, SCS therapy each year and the assumed prices at which Saluda can sell its products. As a result, Saluda's estimates of the annual total addressable market for its current or future products may prove to be incorrect. *For more information refer to Section 4.2.17.*
Off-label or improper use of the Evoke System	If clinicians use Saluda's products outside of the intended use that has been approved by regulatory authorities or certified by notified bodies, then such use, misuse or off-label use of Saluda's products may result in outcomes and adverse events which could potentially lead to product liability claims or litigation by customers. Any such claims, regardless of merit or outcome, would be costly to defend, could divert management attention, and may tarnish Saluda's reputation. *For more information refer to Section 4.2.18.*
Maintenance and enforcement of intellectual property	If Saluda is unable to obtain, maintain and enforce intellectual property protection for its current and future proprietary technology and product candidates, or if the scope of any patent protection obtained is not sufficiently broad, Saluda's competitors could develop and commercialise technology and product candidates similar or identical to Saluda's products, and Saluda's ability to compete successfully could be harmed. *For more information refer to Sections 4.2.19 and 4.2.22 and 10.*
Third party intellectual property disputes	Given the vast number of patents in the SCS field, Saluda cannot be certain or guarantee that it does not infringe existing third-party patents or that it will not infringe third-party patent applications that may be granted or issued in the future. Third parties have from time to time alleged and may in the future allege or initiate legal proceedings, alleging that Saluda is infringing, misappropriating or otherwise violating their intellectual property rights. Defending these matters can demand significant financial expenditures, divert management attention, damage Saluda's brand and potentially require substantial settlements or royalty payments. Saluda may also need to initiate litigation to protect or enforce its patents or other intellectual property rights, which could be expensive, time consuming and unsuccessful. *For more information refer to Sections 4.2.20 and 4.2.21.*
Cyber-attacks or other IT failures	Saluda may become exposed to, or collect and store sensitive data, including procedure-based information and legally protected health information, insurance information and other potentially personally identifiable information. Security breaches, loss of data and other disruptions could compromise sensitive information related to Saluda's business or its customers' patients, which could adversely affect Saluda's business and reputation. *For more information refer to Section 4.2.23.*
Requirement for additional capital	Saluda expects capital expenditures and operating expenses to increase over the next several years. Although Saluda believes the net proceeds of this Offer together with existing cash and the undrawn second tranche of the Perceptive Term Loan, but excluding the undrawn third tranche of the Perceptive Term Loan, will satisfy its operating and capital needs through to approximately the beginning of FY28, the Company may consume capital faster than currently anticipated, requiring the Company to seek additional funds. Saluda cannot guarantee the future availability of funds or that the funds will be available on terms that are favourable to it. If Saluda requires additional funding and is unable to raise these funds, it could delay product development, clinical studies and commercialisation activities. *For more information refer to Section 4.2.25.*

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TOPIC	SUMMARY
Product liability claims	If patients sustain injury or death in connection with their condition or treatment, Saluda, along with others, may be sued and whether or not they are ultimately determined to be liable, Saluda may incur significant legal expenses. Regardless of the merits or eventual outcome, such litigation could damage Saluda's reputation and impair its ability to market its products and make applicable insurance coverage more costly or difficult to obtain. ***For more information refer to Section 4.3.1.***
Significant international operations	Saluda's international operations expose it to a number of risks, including difficulties in staffing, export restrictions and trade regulations, fluctuations in currency exchange rates, customs clearance and shipping delays, and the burdens of complying with a wide variety of foreign laws and different legal and regulatory standards. If any of these risks materialise, it may negatively affect Saluda's business. ***For more information refer to Section 4.3.2.***
Extensive government regulation	The Evoke System and Saluda's operations are subject to extensive government regulation and oversight both in and outside of the United States. If Saluda fails to obtain or maintain necessary regulatory approvals or certifications for the Evoke System and related products (including because post-market safety, efficacy or compliance issues arise), or if approvals or certifications for future products and indications are delayed or not issued, the Company's ability to market the Evoke System would be limited. ***For more information refer to Sections 4.3.3 and 4.3.4.***

1.6 DIRECTORS AND KEY EMPLOYEES

TOPIC	SUMMARY
Who are the Directors of Saluda?	The Board of the Company is comprised of: Douglas Godshall – Independent Non-Executive Chair Barry J. Regan – President and Chief Executive Officer Geoffrey Brooke, M.B.B.S – Independent Non-executive Director Robert Faulkner – Non-executive Director Catherine Livingstone AC – Independent Non-executive Director Robert Palmisano – Independent Non-executive Director Quentin Blackford – Independent Non-executive Director (proposed) ***For more information refer to Section 7.1.***
Who are the Key Managers?	Barry J. Regan – President, CEO and Executive Director James Erickson – Chief Financial Officer Michael Mathias – Chief Commercial Officer Kristin Caplice – Chief Legal Officer and Secretary Aidan O'Sullivan – Chief Operations Officer ***For more information refer to Section 7.2.***

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1.7 KEY PEOPLE, INTERESTS AND BENEFITS

TOPIC	SUMMARY
What are the Directors' securityholdings?	The Directors are expected to hold a direct or indirect interest in the following securities on completion of the Offer:

DIRECTOR	CDIs	OPTIONS (EQUIVALENT NUMBER OF CDIs)	RSUs (EQUIVALENT NUMBER OF CDIs)	WARRANTS	HOLDING % (FULLY DILUTED)
Douglas Godshall	2,884,340	400,720	1,531,340	0	1.6%
Barry J. Regan	0	906,510	8,322,470	0	3.1%
Geoffrey Brooke	0	0	898,830	0	0.3%
Robert Faulkner	0	0	898,830	0	0.3%
Catherine Livingstone	39,170	29,110	1,098,570	0	0.4%
Robert Palmisano	0	39,310	898,830	0	0.3%
Quentin Blackford (proposed)	0	0	998,700	0	0.3%

Notes:

1. See footnotes to table in Section 7.4.7 regarding the basis on which these figures are calculated.

For more information refer to Section 7.4.7.

What significant interests or benefits are payable to the Directors and other key persons connected to Saluda or the Offer?

KEY PERSON	INTEREST OR BENEFIT
Chair	Cash fee and non-cash benefits, including Options and RSUs
CEO & President	Remuneration and non-cash benefits, including Options and RSUs
Non-executive Directors	Cash fee and non-cash benefits, including Options and RSUs
Key Managers (excluding the CEO)	Remuneration and non-cash benefits, including Options and RSUs
Joint Lead Managers	Fees for service
Other advisers	Fees for service

For more information refer to Section 7.4.

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TOPIC	SUMMARY
Who are the significant Existing Holders of Saluda and what will their interests be after completion of the Offer?	The direct and indirect holdings of significant Existing Holders immediately prior to, and following allotment, under the Offer will be as set out in the table below. Figures are expressed as a percentage of all CDIs (undiluted basis) or all securities on issue (fully diluted basis).

	PRE-ALLOTMENT			POST-ALLOTMENT		
	SECURITIES	% OF CDIs (UNDILUTED)	% OF SECURITIES (FULLY DILUTED)	SECURITIES	% OF CDIs (UNDILUTED)	% OF SECURITIES (FULLY DILUTED)
Action Potential Venture Capital Limited	11,561,070 CDIs and 10 Warrants	7.0%	6.7%	11,561,070 CDIs and 10 Warrants	4.6%	3.9%
Entities affiliated with FMR LLC	18,375,790 CDIs and 80 Warrants	11.1%	10.6%	18,375,790 CDIs and 80 Warrants	7.3%	6.2%
Piper Heartland Healthcare Crossover Fund I, L.P.	8,703,170 CDIs	5.3%	5.0%	8,703,170 CDIs	3.5%	2.9%
Entities affiliated with Redmile Group, LLC	50,947,640 CDIs and 120 Warrants	30.9%	29.5%	50,947,640 CDIs and 120 Warrants	20.2%	17.1%
TPG LSI Rise Aftershock, L.P.	25,309,380 CDIs	15.3%	14.6%	25,309,380 CDIs	10.0%	8.5%
Wellington Hadley Harbor Aggregator IV, L.P.	33,746,850 CDIs	20.5%	19.5%	33,746,850 CDIs	13.4%	11.3%

Note:

1. See footnotes to the table in Section 8.5.2 regarding the basis on which these figures are calculated.

For more information refer to Section 8.5.

Will any CDIs be subject to restrictions on disposal following completion of the Offer?	From Listing, certain Shareholders, Directors and Key Managers will be subject to voluntary escrow arrangements in respect of Shares, Options, Warrants and/or RSUs they hold at Listing (other than any CDIs acquired by them, or entities related to them, under the Offer). These escrow arrangements will prevent those persons from disposing of their Escrowed Securities during the Escrow Period (subject to relevant exceptions). The Company expects that on Listing, approximately 160 million CDIs (or 16.0 million Shares), and approximately 189 million securities in total (i.e. also including Options, RSUs and Warrants) will be subject to escrow arrangements, being approximately 63% of all securities following the Offer. ***For more information refer to Section 12.13.***

1.8 SUMMARY OF THE OFFER AND THE PROPOSED USE OF FUNDS RAISED

TOPIC	SUMMARY
Who is the issuer of the Prospectus?	Saluda Medical, Inc., a Delaware corporation. ***For more information refer to Section 3.1.***

1. Investment overview continued

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TOPIC	SUMMARY
What is the Offer?	The Offer is the offer provided under this Prospectus for investors to participate in the initial public offering of CHESS Depositary Interests (**CDIs**) representing shares of 10 common stock in Saluda (**Shares**) at an Offer Price of A$2.65 per CDI. Each CDI represents an interest in 10 Shares. *For more information refer to Section 8.1.*
What is the U.S. Private Placement	Concurrently with the Offer, Saluda is conducting a private placement of CDIs to certain accredited investors in the U.S. (**U.S. Private Placement**). The U.S. Private Placement will be at A$2.65 per CDI. Saluda will issue 1,312,240 CDIs under the U.S. Private Placement, in exchange for gross proceeds of approximately A$3.5 million. *For more information refer to Section 8.3.*
How is the Offer structured?	The Offer will consist of: • The Institutional Offer, which consists of an invitation to certain Institutional Investors in Australia and a number of other authorised jurisdictions to apply for CDIs; and • The Broker Firm Offer, which is open to Australian resident Retail Investors and Sophisticated Investors who have received a firm allocation from their broker. *For more information refer to Section 8.2.*
What will be the capital structure of Saluda on quotation of its CDIs on the ASX?	Following allotment under the Offer and the U.S. Private Placement, and upon quotation on the ASX, Saluda is expected to have the following securities on issue:

	NUMBER OF SECURITIES	EQUIVALENT NUMBER OF CDIs	FULLY DILUTED %
Shares/CDIs	25,202,381	252,023,810	84.6%
Options	1,814,554	18,145,540	6.1%
Warrants	263,738	2,637,380	0.9%
RSUs	2,513,387	25,133,870	8.4%
Total	**29,794,060**	**297,940,600**	**100.0%**

Note:

1. See footnotes to the table in Section 8.5.1 regarding the basis on which these figures are calculated.

Of the Options listed above, 527,334 are on issue as at the date of this Prospectus and have exercise prices ranging from US$52.53 to US$589.16 per Share and expire between March 2026 to September 2035. On the Allotment Date, the Company also intends to issue an additional 1,287,220 Options to employees, with exercise prices in US$ equal to the fair market value per Share on the Allotment Date (determined based on the Offer Price (as adjusted for the CDI to Share ratio) and multiplied by the exchange rate for A$ to US$ on such date). The Options will vest over a period of three years subject to continued employment through each vesting date. In total, the new Options will represent 4.3% of the CDIs on issue on a fully diluted basis.

The Company also intends on granting 2,513,387 RSUs representing approximately 8.4% of the CDIs on issue on a fully diluted basis to Directors, Key Managers and other executives. The RSUs will vest over a three year period other than with respect to the RSUs to be granted to the CEO and the COO, which will vest over four years.

The majority of the Warrants (263,712) are held by Perceptive Credit Holdings IV, LP and have an exercise price of US$17.00 per Share and expire in March 2035. The remaining 26 Warrants are held by Existing Holders and have an exercise price of US$656.93 per Share and expire in December 2027. On conversion, the Warrants will convert into Shares equivalent to 0.9% of the CDIs on issue on a fully diluted basis.

For more information refer to Sections 8.5.1, 12.4 and 12.6.

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TOPIC	SUMMARY
What are CDIs?	The ASX uses an electronic system called CHESS for the clearance and settlement of trades on the ASX. Saluda is incorporated in the state of Delaware in the U.S., which does not recognise the CHESS system of holding securities. Accordingly, to enable companies such as Saluda to have their securities cleared and settled electronically through CHESS, depositary interests called CHESS Depositary Interests or CDIs are issued. CDIs represent the beneficial interest in the underlying shares in a foreign company such as Saluda and are traded in a manner similar to shares of Australian companies listed on the ASX. Each Share will be equivalent to 10 CDIs. Due to certain U.S. securities laws, you will not be able to sell CDIs into the U.S. or to U.S. Persons for a period of at least 12 months from the Allotment Date, unless the resale of the CDI is registered under the U.S. Securities Act or an exemption is available. The Company has requested that all CDIs issued under the Offer bear a designation on the ASX to enforce these restrictions. ***For more information refer to Sections 8.9, 12.8 and 12.14.***
Will the Company be adequately funded after completion of the Offer?	The Board believes that the net proceeds of the Offer together with existing cash and the undrawn second tranche of the Perceptive Term Loan, but excluding the undrawn third tranche of the Perceptive Term Loan, will provide the Company with sufficient working capital to meet its stated objectives and satisfy its operating and capital needs through to approximately the beginning of FY28. ***For more information refer to Sections 1.9 and 8.4.***
What rights and liabilities attach to the CDIs being offered?	A description of the CDIs, including the rights and liabilities attaching to them, is set out in Section 12.8.
Will the CDIs be quoted on the ASX?	The Company will apply to ASX within seven days of the date of this Prospectus for Official Quotation of all CDIs on the ASX under the ticker "SLD".
Who are the Joint Lead Managers and Co-Manager to the Offer?	The Joint Lead Managers are Bell Potter, Morgans Corporate Limited and E&P Capital Pty Ltd. The Co-Manager is Commonwealth Securities Limited.
Is the Offer underwritten?	Yes, the Offer and the U.S. Private Placement are fully underwritten by the Underwriter, subject to the terms of the Underwriting Agreement. ***For more information refer to Section 9.5.***
Will any CDIs be subject to escrow?	From Listing, certain Shareholders, Directors and Key Managers will be subject to voluntary escrow arrangements in respect of Shares, Options, Warrants and/or RSUs they hold at Listing (other than any CDIs acquired by them, or entities related to them, under the Offer or U.S. Private Placement). These escrow arrangements will prevent those persons from disposing of their Escrowed Securities during the Escrow Period (subject to relevant exceptions). The Company expects that on Listing, approximately 159 million CDIs (or 15.9 million Shares), and approximately 183 million securities in total (i.e. also including Options, RSUs and Warrants) will be subject to escrow arrangements, being approximately 63% of all CDIs following the Offer and U.S. Private Placement. ***For more information refer to Section 12.13.***

1. Investment overview continued

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TOPIC	SUMMARY
What is the allocation policy applicable to the Offer?	The allocation of CDIs under the Institutional Offer is determined by the Joint Lead Managers with the agreement of the Company. For Broker Firm Offer participants, the relevant broker will decide how it allocates the CDIs among its retail clients. *For more information refer to Section 8.7.*
What is the minimum Application under the Offer?	**Institutional Offer** There is no minimum or maximum application size under the Institutional Offer. **Broker Firm Offer** Applications must be for a minimum of 755 CDIs (approximately A$2,000). *For more information refer to Section 8.8.*
When will I know if my Application has been successful?	A holding statement confirming your allocation under the Offer will be sent to you if your Application is successful. It is expected that initial holding statements will be dispatched by post on or about Tuesday, 2 December 2025. *For more information refer to the Key Dates on page 4.*
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisitions of CDIs under the Offer. *For more information refer to Section 8.10.*
What are the tax implications of investing in the CDIs?	The tax consequences of any investment in CDIs will depend on your personal circumstances. Prospective investors should obtain their own tax advice before deciding to invest. *For more information refer to Section 11.*
What is the Company's dividend policy?	No dividends are expected to be paid in the near term following the Company's listing on the ASX. The Directors will review this policy as appropriate and the payment of any dividends by the Company is at the discretion of the Board. *For more information refer to Section 12.11.*
How do I apply for the CDIs?	**Institutional Offer** The Joint Lead Managers have separately advised Institutional Investors of the application procedure under the Institutional Offer. **Broker Firm Offer** Applicants under the Broker Firm Offer should follow the instructions provided by their broker. To the extent permitted by law, an application by an Applicant under the Offer is irrevocable. *For more information refer to Section 8.8.*
Can the Offer be withdrawn?	The Company reserves the right not to proceed with the Offer at any time before the issue and transfer of CDIs to successful Applicants. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer. *For more information refer to Section 8.15.*

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TOPIC	SUMMARY
Where can I find more information?	Questions relating to Applications for CDIs can be directed to the Registry on 1300 850 505 (if calling within Australia) or +61 3 9415 4000 (if calling from outside of Australia) from 8:30am to 5:00pm (AEDT time) Monday to Friday.

1.9 PROPOSED SOURCES AND USES OF FUNDS ASSOCIATED WITH THE OFFER

SOURCES OF FUNDS	(US$ MM)	(A$ MM)	% OF AVAILABLE FUNDS[1]
Approximate cash on hand as at 31 October 2025	25.0	38.5	14.3%
Cash proceeds received from issue of CDIs by the Company under the Offer	147.7	227.3	84.4%
Cash proceeds received from issue of CDIs by the Company under the U.S. Private Placement	2.3	3.5	1.3%
Total funds available at Listing	**175.0**	**269.3**	**100%**

Notes:

1. Rounded to one decimal place.
2. The Company's cash as at 30 June 2025, as per the Company's audited annual financial statements for FY25, was US$54,500,000 (refer Section 5.8). As at 31 October 2025, the Company's cash on hand was approximately US25,000,000, which includes proceeds of US$15,000,000 raised from the Bridge Financing (refer Section 12.3 for details).

USE OF FUNDS	FUNDS RAISED FROM THE OFFER		% OF FUNDS RAISED FROM THE OFFER[1]
	(US$ MM)	(A$ MM)	
Expansion of sales team	62.9	96.8	41.9%
Marketing and commercial support	17.7	27.2	11.8%
Product development and related activities	13.3	20.5	8.9%
Clinical, regulatory and quality	8.6	13.2	5.7%
Costs of the Offer and the U.S. Private Placement	9.3	14.3	6.2%
General & Administrative Costs	21.5	33.1	14.3%
Interest expense	7.1	10.9	4.7%
Working capital	9.6	14.8	6.4%
Total	**150.0**	**230.8**	**100.0%**

Notes:

1. Rounded to one decimal place.
2. Cash on hand is intended to be expended in the same proportions as outlined above.

The above table is a statement of current intentions as at the date of this Prospectus. Investors should be aware that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied. In addition, as the proceeds of the Offer will be received in Australian dollars and the expenditure will be in U.S. dollars, the actual amount of the proceeds used for each of the items above will depend on the A$:US$ exchange rate at the time that the funds are converted to U.S. dollars.

Further details about the sources of the funds that will be used to carry out these objectives (including the proceeds under the Offer) and how those funds will be allocated are set out in the tables below and in Section 8.4.

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2. Industry background

2. Industry background

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2.1 INTRODUCTION

Saluda operates within the market for the treatment of chronic neuropathic pain, and particularly, the spinal cord stimulation (**SCS**) market. This Section 2 provides an overview of those markets.

2.2 OVERVIEW OF CHRONIC PAIN

Pain is the sensation produced by the nervous system in response to injury or illness and acts as a mechanism to identify and protect the affected area of the body. There are two categories of pain: acute and chronic. Acute pain is the body's normal response to possible injury or trauma and typically subsides once the injury has healed. When pain becomes ongoing or recurrent, it is known as chronic pain. According to the International Association for the Study of Pain, chronic pain is defined as pain that persists or recurs for longer than three months.[5]

Chronic pain has become a widespread global issue due to an aging population, progress in saving lives after catastrophic injury and increases in surgeries that can induce chronic pain. In 2023, an estimated 24.3% of U.S. adults experienced chronic pain and 8.5% experienced high-impact chronic pain.[6] Chronic pain negatively impacts quality of life, causing sleep disturbance, fatigue, depression or changes in mood, which may interrupt daily activities or lead to disability, emotional despair and mental illness. Based on a health economic study published in The Journal of Pain in 2012, the annual cost of chronic and persistent pain in the United States is estimated to be over US$500 billion,[7] including direct and productivity costs, which is greater than the annual cost of heart disease, cancer and diabetes.

Chronic neuropathic pain is a common and particularly intractable subset of chronic pain that results from diseased or damaged nerves. Chronic neuropathic pain affects the somatosensory system, or the neural structures of the brain and body responsible for the sensations of touch and body position. This type of pain is caused by nerve damage to either the peripheral or central nervous system. Peripheral pain arises from spinal related nerve injuries, such as lumbar stenosis or radiculopathies caused by disc impingements or can persist long after back surgery and the attempt to correct the pathology. It can also arise from peripheral nerve injuries, such as knee surgery and other orthopaedic surgery and even metabolic diseases, such as diabetes. Central pain is typically the result of stroke or spinal cord injury. Chronic neuropathic pain is characterised by shooting pain, burning, numbness or altered sensation and typically cannot be effectively treated with over-the-counter pain medicine.

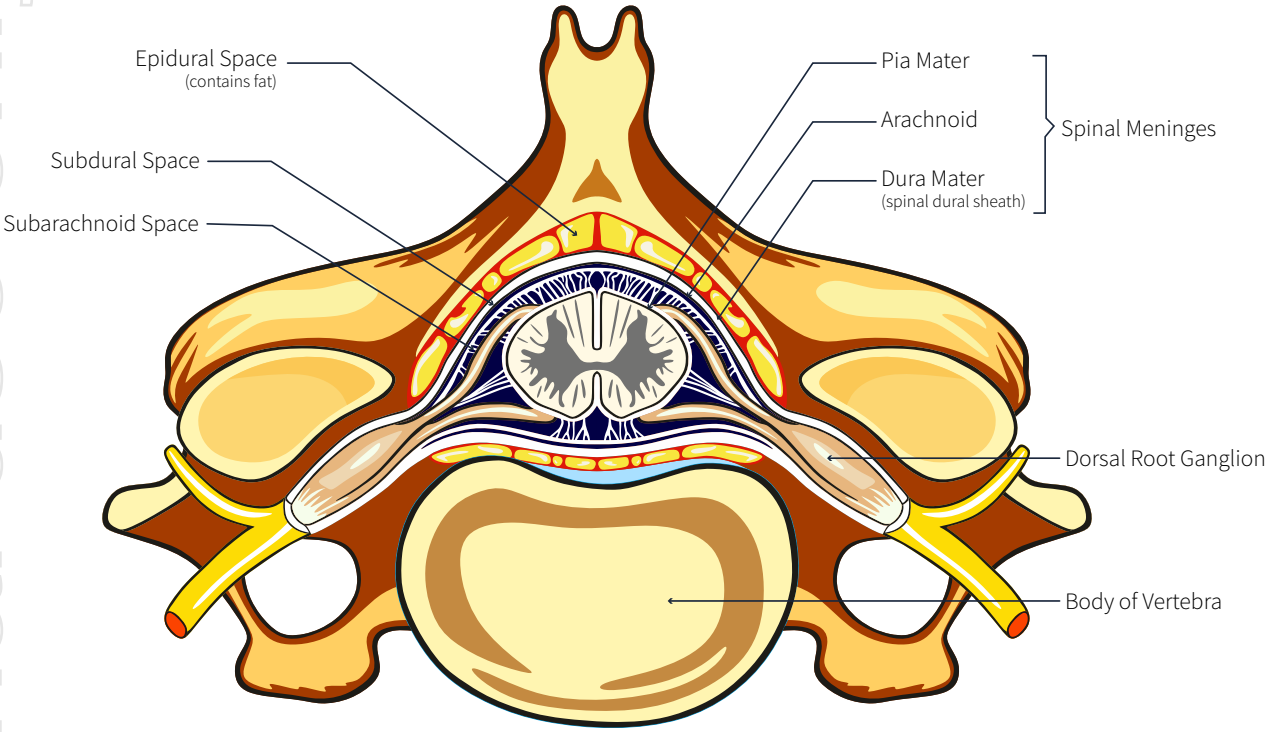
2.3 PHYSIOLOGY OF PAIN

The spinal cord is the "highway" for sensory inputs, including touch, pressure, pain, temperature, position, movement and vibration to travel to the brain. These inputs travel from the receptors located in the skin, organs and muscles through peripheral nerves. The sensory input from the periphery enters the spinal cord through the axons of the dorsal root ganglia (i.e. the collection of sensory neuron cell bodies that transmit signals to the central nervous system). Ascending pathways in the dorsal column of the spinal cord then transmits the information to the brain. The spinal cord is encapsulated by cerebrospinal fluid (**CSF**), for protection and nourishment. The CSF layer is surrounded by a soft membrane called the dural sac. The dural sac is surrounded by fatty tissue and blood vessels, known as the epidural space, which separates the dural sac from the soft tissue of the spine and can easily move in order to adjust position as the body moves. The image below depicts a cross-section view of the spinal cord.

5. International Association for the Study of Pain: https://www.iasp-pain.org/advocacy/definitions-of-chronic-pain-syndromes.
6. National Center for Health Statistics, National Health Interview Survey, 2023. High-impact chronic pain is defined as adults who experience chronic pain most days or every day.
7. Gaskin DJ, Richard P, The Economic Costs of Pain in the United States. The Journal of Pain. 2012. 13(8):715-724.

2. Industry background continued

Figure 2.1: Cross-section view of spinal cord



In the case of acute pain, when an injury occurs, the pain fibres connecting the peripheral areas of the body to the spinal cord transfer information via electrical signals through nerves. These nerves carry pain signals through the spinal cord and into the brain, where it is processed and sent back to the spinal cord to create the sensation of pain at the injured area. In the case of chronic neuropathic pain, the source of pain does not arise from an identifiable stimulus, but instead from damage to the pain receptors in the body or to the nerves of the central nervous system, which causes pain signals to be sent to the brain when none should exist.

2.4 HISTORICAL TREATMENT PATHWAY FOR CHRONIC NEUROPATHIC PAIN

Because chronic neuropathic pain typically cannot be cured, but only managed, effective long-term pain management is the goal to reduce pain and improve patient quality of life. Patients who present with chronic neuropathic pain are typically placed on a treatment progression plan, which occurs on a continuum with conventional medical management prescribed first. Initial medical management typically includes behavioural modification, exercise, physical therapy, over-the-counter analgesics and non-steroidal anti-inflammatory drugs. When conventional medical management is not sufficient, patients may progress to early-stage interventional techniques, including steroid injections or nerve blocks. Patients who do not respond to these more conservative treatments are considered candidates for more advanced therapies, which typically include spine surgery to repair an anatomical issue responsible for the pain, long-term opioid treatment or SCS.

2.4.1 Spine surgery

Spine surgery is a common interventional procedure intended to minimise or eliminate back pain. Over one million spine surgeries are performed every year in the United States alone, including spinal fusions, the joining of spinal bones to restrict movement and laminectomies, the removal of a portion of the bone or ligaments in the back.[8] Spine surgery is associated with high complication rates and often fails to resolve certain types of chronic neuropathic pain. Conditions such as failed back surgery syndrome and post-laminectomy pain syndrome are common outcomes of spinal surgery where chronic back pain persists post-procedure. According to the U.S. National Institutes of Health, failed back surgery syndrome is estimated to occur in approximately 10% to 40% of patients undergoing spine surgery.[9]

8. Dykhouse et al. Trends in spinal implant utilization and pricing. J Craniovertebr Junction Spine. 2024 Oct-Dec.15(4):404-410.
9. Orhurhu VJ, Chu R, G Jatinder. Failed Back Surgery Syndrome. Treasure Island (FL): StatPearls Publishing. 2025 Jan. Available from: https://www.ncbi.nlm.nih.gov/books/NBK539777.

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2.4.2 Long-term opioid treatment

Oral opioids are prescription pain medications that suppress a patient's acute perception of chronic pain. Long-term prescription opioid therapy is not typically effective in treating chronic neuropathic pain but is associated with significant side effects that decrease quality of life, such as nausea, vomiting, constipation, dizziness and lethargy. Use over long periods of time may also lead to misuse, addiction, accidental overdose and death. According to the United States Congressional Joint Economic Committee, the total economic cost of the U.S. opioid crisis was estimated to be nearly US$1.5 trillion in 2020,[10] which Saluda believes highlights the growing need to promote alternatives to opioid therapy for the management of chronic pain.

2.4.3 Spinal cord stimulation therapy

SCS therapy is a minimally invasive and reversible treatment to treat patients with chronic neuropathic pain. SCS utilises an implantable pacemaker-like device to deliver electrical pulses to the dorsal column in the spinal cord. These electrical pulses are delivered via small electrodes on leads that are implanted in the epidural space near the spinal cord and are connected to a compact, battery-powered implantable pulse generator (**IPG**), under the skin.

SCS therapy generally consists of two phases. The first phase is a temporary evaluation period, or trial period, which in the U.S. lasts an average of seven days.[11] During the trial period, percutaneously implanted leads are temporarily placed near the spinal cord and connected to an external pulse generator. The trial period allows the patient to evaluate and determine if they are a responder to SCS therapy, which is typically defined as 50% pain relief. If sufficient relief is self-reported, patients may choose to move to the permanent implant phase.

The permanent implant procedure involves leads being fixed into the epidural space, which resides within the vertebral column. Once fixed, the leads are then connected to an IPG, which is placed under the skin through a small incision. In standard SCS therapy, the initial level of stimulation is set subjectively with clinicians adjusting the level of stimulation based on patient feedback. Programming of standard SCS devices includes setting programs of stimulation in the clinic that correlate to a level of comfort and pain relief. After programming, patients are given a remote control to take home to manually increase or decrease the level of stimulation or change programs, within certain parameters, as needed.

Conditions for SCS Therapy

The four most common conditions for which SCS therapy is prescribed are:

(a) Failed Back Surgery Syndrome

Failed back surgery syndrome is a generalised term that is used to describe the condition where lower back pain and or leg pain persists or appears after spine surgery.

(b) Non-surgical Refractory Back Pain

Non-surgical refractory back pain describes chronic back pain which does not respond to conventional medical management and early-stage interventional techniques in patients with no history of spine surgery who are not acceptable candidates for spine surgery. These patients often do not achieve therapeutic goals with nonoperative medical management, leaving clinicians and patients with few options, which can lead to escalating use of opioids and their associated risks and detriment to quality of life.

(c) Complex Regional Pain Syndrome

Complex regional pain syndrome is a broad term that covers long-lasting pain and inflammation that can happen after an injury or a medical event, such as surgery or trauma. Although complex regional pain syndrome can occur anywhere in the body, it usually affects a person's arm, leg, hand, or foot.

(d) Diabetic Peripheral Neuropathy

Approximately 15% to 25% of patients with diabetes develop symptomatic or painful diabetic peripheral neuropathy, a progressive, potentially debilitating chronic neuropathic pain condition.[12] Current treatments include neuropathic pain medications and SCS therapy.

10. Joint Economic Committee: https://www.jec.senate.gov/public/_cache/files/67bced7f-4232-40ea-9263-f033d280c567/jec-cost-of-opioids-issue-brief.pdf.
11. Trial periods vary in different jurisdictions, with trial periods in Europe generally longer than seven days.
12. Jang HN, Oh TJ. Pharmacological and Nonpharmacological Treatments for Painful Diabetic Peripheral Neuropathy. Diabetes & Metabolism Journal 2023. 47(6):743-756.

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How SCS Therapy Works

Pain relief starts with delivering sufficient energy to the dorsal column of the spinal cord. SCS therapy works to suppress pain by using electrical pulses generated by SCS electrodes to activate the dorsal columns of the spinal cord. Such activation of dorsal column nerve fibres leads to the inhibition of the body's pain signals before they travel up the spinal cord and reach the brain. SCS leads are positioned in the epidural space and anchored to spinal fascia. While SCS leads are fairly fixed within the epidural space, the relative position of the leads to the spinal cord changes as the spinal cord moves within the CSF. Physiological and physical factors, such as changes in body position, breathing, heartbeat, medication changes and aging, can alter the level of neural activation. The level of neural activation, not the electrical stimulation delivered, is what ultimately drives pain relief.

When a nerve fibre is electrically stimulated with sufficient strength, it generates a response known as an action potential. ECAPs (or evoked compound action potentials) are the sum of multiple nerves being activated. In SCS, ECAPs are a direct measure of the spinal cord's response to stimulation delivered by the SCS device. ECAPs may be used to confirm activation of targeted nerve fibres and provide evidence of therapy delivery. In addition, the amplitude of the ECAP corresponds to the number of spinal cord nerve fibres activated and can be used to quantify a dose of neural activation needed to achieve a patient's optimal level of pain relief. The ECAP dose, or measured neural activation, has been correlated to increased pain relief.

2.5 STANDARD SCS DEVICES AND THEIR LIMITATIONS

Standard SCS devices are open-loop, fixed-output systems. These systems stimulate the spinal cord based on a predetermined level of electrical stimulation, regardless of the impact on, or level of, neural activation. Over the years, the most notable advancements in standard SCS devices have been primarily focused on changing the rate of stimulation or waveforms. These advancements continue to only provide a predetermined level of electrical stimulation. Further, without the ability to measure neural activation and adjust stimulation to a patient's specific needs in real-time, Saluda believes these advancements have limited long-term clinical efficacy. Saluda also believes that the low level of market penetration of SCS is due to the lack of general awareness of the potential clinical benefits of SCS therapy and the limitations of standard SCS devices. These limitations include:

(a) Inability to Sense and Set Optimal Neural Activation of the Spinal Cord

Standard SCS devices are not able to measure or sense a patient's neural response to electrical stimulation. During programming of standard SCS devices, the inability to measure means that the direct effect of the stimulus pulses on the body are unknown. Sensing capabilities enable confirmation of therapy delivery. Finally, standard SCS devices cannot quantify a patient-specific dose based on actual neural activation.

(b) Inability to Deliver Consistent Neural Activation

Standard SCS devices do not adjust the level of stimulation being delivered to accommodate for physiological and physical factors, such as posture, breathing or heartbeat, which may impact the actual level of neural activation and result in inconsistent therapy delivery. In Saluda's EVOKE study, patients who received open-loop SCS therapy spent, on average, only 46% of the time in their targeted range of neural activation and received one-third the level of neural activation compared to patients who received closed-loop SCS therapy (see Section 2.6 below regarding closed-loop SCS).[13]

13. Mekhail et al. Durability of Clinical and Quality-of-Life Outcomes of Closed-Loop Spinal Cord Stimulation for Chronic Back and Leg Pain: A Secondary Analysis of the Evoke Randomized Clinical Trial. JAMA Neurol. 2022. 79(3):251–260.

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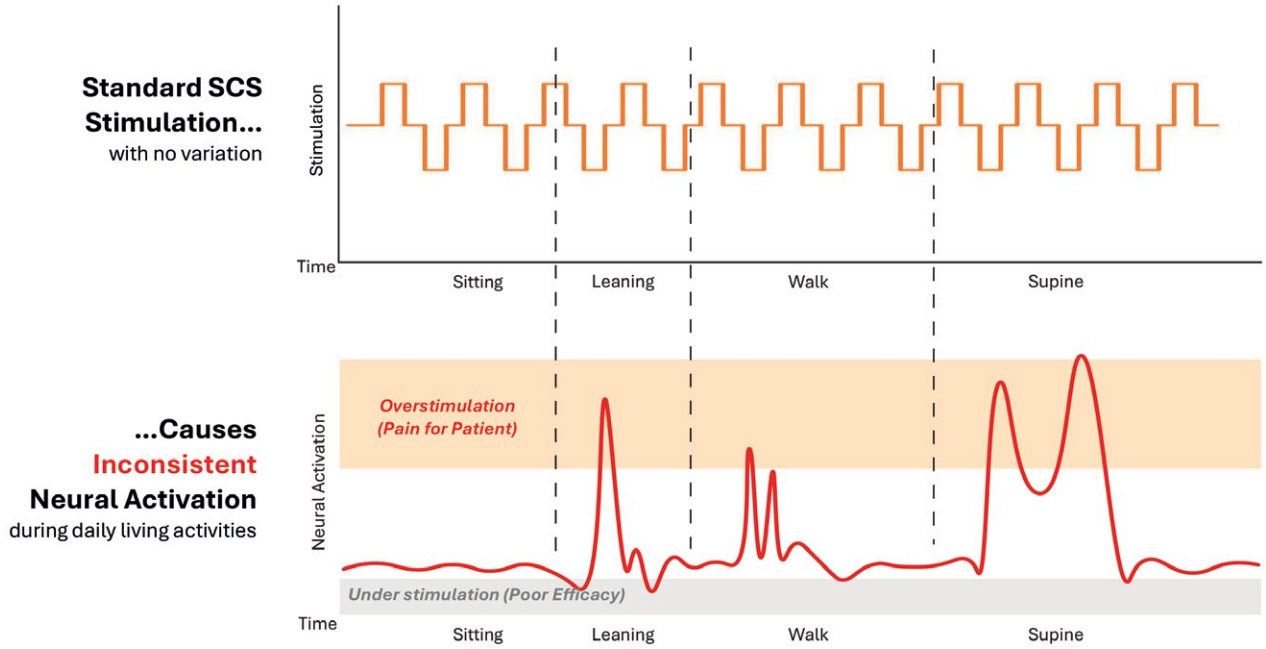
Figure 2.2: Representation of neural activation with standard SCS



(c) High Explant Rates Attributable to Loss of Efficacy

Given their inability to measure or deliver consistent neural activation and pain relief, standard SCS devices may result in a loss of efficacy over time. Loss of efficacy is the primary reason for device explants for standard SCS devices. In a study conducted by Pope et al. and published in Neuromodulation in 2017, 43.9% of the device explants were due to lack or loss of efficacy.[14] In addition, a later study conducted by Wang et al. and published in Neuromodulation in 2021 showed that explant rates due to loss of efficacy with these standard SCS devices were 11% and 22% at one and two years, respectively.[15] These findings do not include virtual explant rates (i.e., the rate of patients with implanted SCS devices that no longer use the device), which may further add to the explant rate of standard SCS devices.

(d) High Therapy Burden

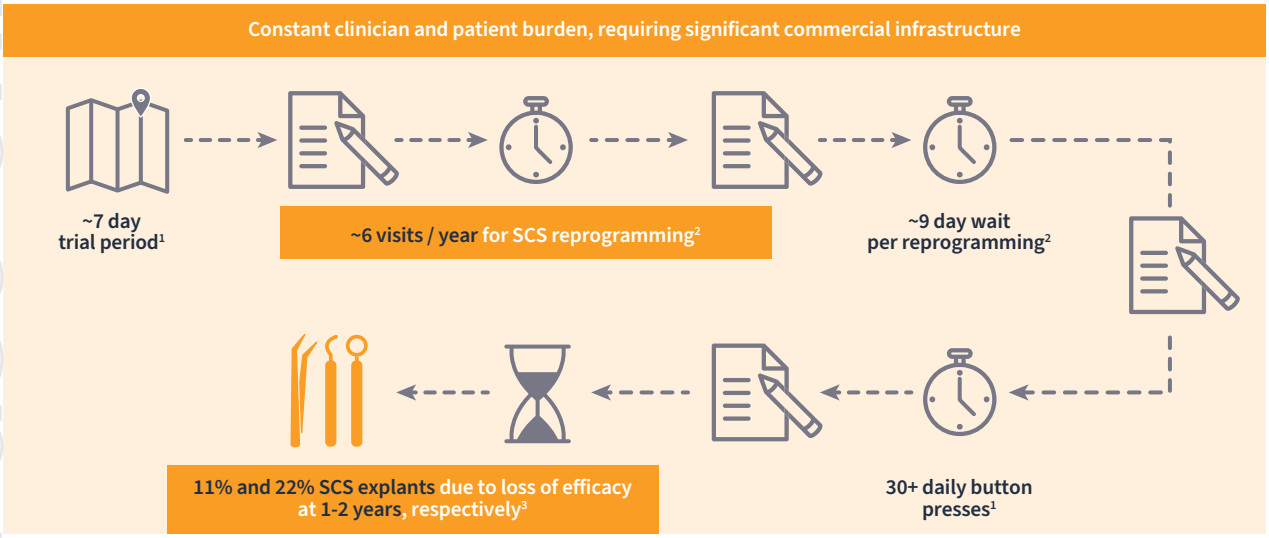
Standard SCS devices create a significant burden for patients, providers and standard SCS device manufacturers. Because standard SCS devices deliver a fixed output of stimulation and are unable to adjust the level of stimulation, suboptimal therapy delivery (i.e. over and under stimulation) is common. As a result, patients must manually adjust the level of stimulation using their remote to prevent stimulation discomfort. Studies show that, on average, patients with standard SCS devices change their level of stimulation over 30 times per day.[16]

The manual nature of stimulation adjustments combined with the inability to maintain consistent therapy delivery of standard SCS devices often causes patients to schedule in-person reprogramming visits. Based on a recent study, an average patient has roughly six reprogramming visits each year to address an SCS issue, and on average, the patients who contacted their representative or physician regarding their issue spent about five days waiting for a reply and it took approximately four days for their concern to be addressed.[17] This high reprogramming need can be particularly cumbersome on clinical staff and sales representatives of standard SCS device manufacturers, who are typically required to provide support for these frequent reprogramming visits.

14. Pope et al. Multicenter Retrospective Study of Neurostimulation With Exit of Therapy by Explant. Neuromodulation. 2017 Aug. 20(6):543-552.
15. Wang et al. Explantation Rates of High Frequency Spinal Cord Stimulation in Two Outpatient Clinics. Neuromodulation. 24(3): 507-511.
16. Schultz DM, Webster L, Kosek P, Dar U, Tan Y, Sun M. Sensor-driven position-adaptive spinal cord stimulation for chronic pain. Pain Physician. 2012 Jan-Feb;15(1):1-12. PMID: 22270733.
17. Amirdelfan K, Antony A, Levy R, et al. Patient Burdens Associated with Spinal Cord Stimulation: Impact of Wait Times to Address Device-Related Issues In A Real-World Cohort With Chronic Back And Leg Pain. WIPabstract P-136.Pain Pract.2022; 22: 25-27.

2. Industry background continued

Figure 2.3: Patient burdens with standard SCS



Notes:

1. Assumes seven-day trial period. Trial periods may vary.
2. See footnote 16. Nine days represents five days waiting for reply and approximately four days for concern to be addressed.
3. See footnote 14.

(e) Continued Opioid Usage

Chronic neuropathic pain is typically managed on a continuum, with patients generally undergoing more than a single treatment option. Many SCS patients receive opioids to suppress their pain prior to beginning SCS therapy. One of the benefits for patients selecting SCS therapy is the potential to reduce their opioid usage, and any related side-effects, without compromising on their pain relief. However, standard SCS devices may not achieve a sufficient level of opioid use reduction. For example, a randomised controlled study conducted by Kapural et al. and published in Anesthesiology in 2015 showed that only approximately 36% of patients using a high frequency SCS device and only approximately 26% of patients using a traditional SCS device decreased or eliminated their opioid usage at 12 months.[18]

(f) Limited Long-Term Clinical Evidence and Real-World Validation

As far as Saluda is aware, although there are published, prospective, randomised SCS studies that provide 12-month data for standard SCS devices, there are only three randomised studies, including the EVOKE study, providing pain responder and high responder outcome data in limb or back pain longer than 24 months. The Company is of the view that real-world outcomes have generally failed to replicate results observed in most of these clinical studies. Saluda is also of the view that the limited clinical evidence and real-world validation associated with standard SCS devices has impacted the market adoption of SCS therapy.

18. Kapural et al. Novel 10-kHz High-frequency Therapy (HF10 Therapy) Is Superior to Traditional Low-frequency Spinal Cord Stimulation for the Treatment of Chronic Back and Leg Pain: The SENZA-RCT Randomized Controlled Trial. Anesthesiology. 2015 Oct.123(4):851-60.

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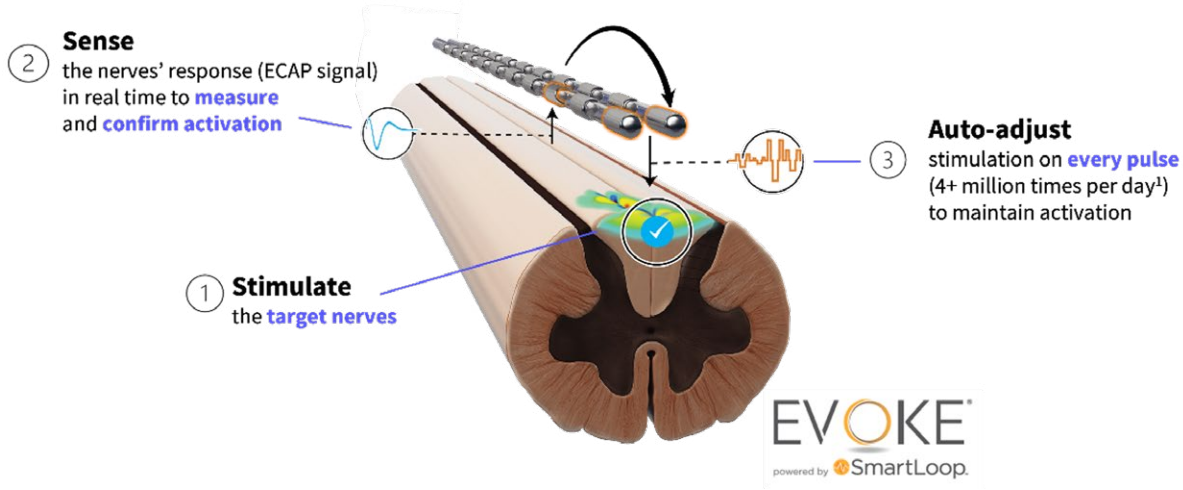
2.6 SALUDA'S EVOKE® PHYSIOLOGIC CLOSED-LOOP CONTROLLED SCS THERAPY

Saluda's Evoke® closed-loop SCS system is a novel advancement in SCS technology that delivers a personalised and continually adapting therapy. As the electrical stimulation activates neural fibres in the patient, the Evoke closed-loop system measures the level of neural activation by sensing and measuring ECAPs and then uses a feedback loop that automatically adjusts the stimulation in real-time in order to maintain a consistent ECAP amplitude. Saluda has branded its proprietary closed-loop technology, SmartLoop™.

Saluda believes the Evoke System is the only neuromodulation therapy that can sense and measure neural activation to optimise and maintain a prescribed neural dose by adjusting therapy in real-time with every stimulation pulse, up to 250 times per second. An overview of the Evoke System, SmartLoop and its key benefits are outlined in Sections 3.3 and 3.4.

Figure 2.4: Overview of SmartLoop technology



2.7 ADDRESSABLE MARKET OPPORTUNITY IN SPINAL CORD STIMULATION

Overview

Saluda markets its SCS platform, the Evoke System, in the United States, Europe and Australia with the primary commercial focus on increasing adoption and penetration of the Evoke System in the United States. According to the SmartTRAK, in 2024, the worldwide revenue for the SCS market was approximately US$2.67 billion, with US$2.16 billion, or approximately 81%, of that revenue generated in the United States.[19] SmartTRAK further estimates that the potential SCS market in the United States in 2024 was approximately US$18.96 billion, covering predominant back pain, predominant leg pain and mixed back and leg pain.[20] Assuming the United States represents approximately 81% of the worldwide market based on the 2024 revenue for SCS, Saluda estimates that the potential SCS market worldwide in 2024 was approximately US$23.4 billion.

At present, Saluda primarily operates in the percutaneous lead segment of the market for new product placements (called 'de novo'), which Saluda estimates accounted for approximately US$1 billion of SCS revenues in the United States in 2024. The paddle lead segment of the market for de novo placements accounted for approximately US$670 million of revenues in 2024. Paddle leads have the same capabilities as existing percutaneous leads plus an ability to suture the lead to the spine.

The remainder of the U.S. SCS market (approximately US$490 million) is comprised of the replacement of previously implanted spinal cord systems either with updated technology or alternative technologies from alternative manufacturers. If Saluda obtains FDA approval of its newly designed paddle leads (see Section 3.7.1), Saluda will be able to target a share of revenues in the paddle lead segment. Subject to new product launches (next generation IPG and technologies facilitating the connection to competitive leads), Saluda believes it will also be able to access a greater portion of the replacement market in the future.

19. SmartTRAK Q424/FY24 Neuromodulation Recap; SmartTRAK. US Spinal Cord Market Forecast.
20. SmartTRAK. Potential US SCS Market by Pain Type.

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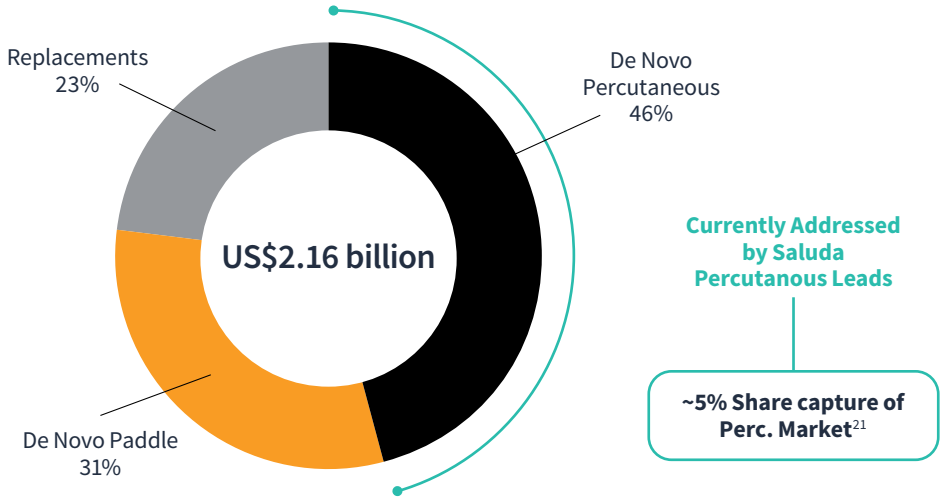
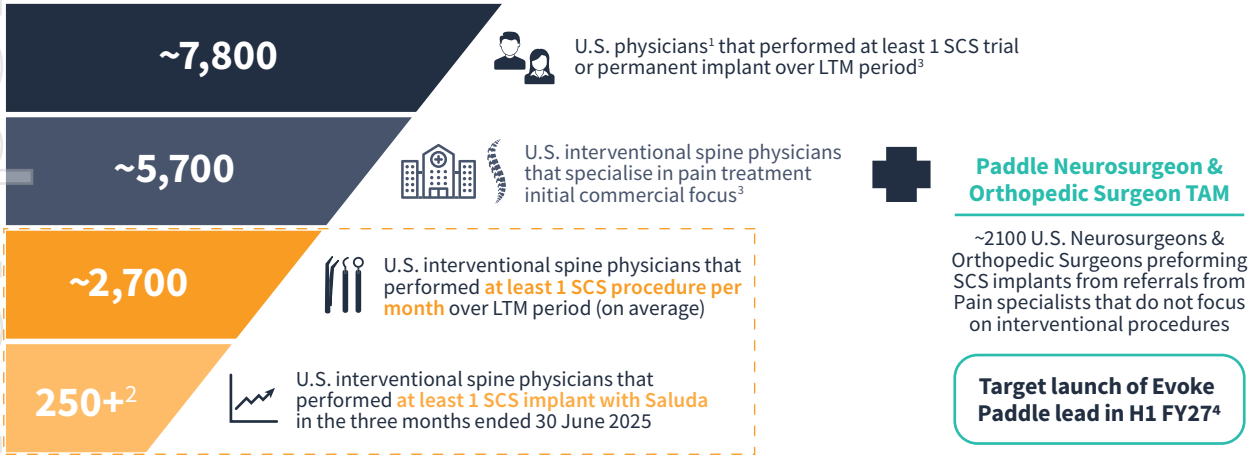
Figure 2.5: U.S. Market Size 2024



Physicians

Saluda estimates that in 2019 there were approximately 7,800 physicians in the United States who performed at least one SCS trial or permanent implant over the prior twelve-month period, including interventional spine physicians, physiatrists, interventional radiologists, interventional neurologists, functional neurosurgeons and orthopaedic surgeons.[22] Saluda is initially targeting the 5,700 interventional spine physicians specialising in pain treatment through minimally invasive procedures, with an initial focus on the approximately 2,700 who have performed, on average, at least one SCS procedure per month over the past year. Saluda estimates that of the 7,800 total physicians, there are 2,100 neurosurgeons and orthopaedic surgeons that Saluda will begin targeting after (and subject to) the approval of its paddle leads (see Section 3.7.1). These surgeon customers generally prefer the surgical implantation of a paddle lead when performing an SCS procedure rather than percutaneous leads. Saluda has not historically targeted these physicians because it did not have a paddle lead developed and only recently submitted to the FDA for approval of a newly designed paddle lead.

Figure 2.6: Breakdown of target physician market in United States



Notes:

1. U.S. physicians includes interventional spine physicians, physiatrists, interventional radiologists, interventional neurologi sts, functional neurosurgeons, and orthopedic surgeons.
2. Based on management estimates.
3. Based on insurance claims data from 2019 from Acuity Insurance.
4. Subject to Regulatory Approval

21. Calculated as FY25 U.S. market revenue of US$49.9 million divided by US$1 billion, being the approximate U.S. revenues of the de novo percutaneous lead segment of the market in 2024.
22. Based on insurance claims data from 2019 from Acuity Insurance.

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Conditions and patient population

The most common conditions for which SCS therapy is prescribed are failed back surgery syndrome, complex regional pain syndrome, diabetic peripheral neuropathy and non-surgical back pain, which account for nearly all of the SCS market. In the United States, the Evoke System is indicated for use as an aid in the management of chronic intractable pain of the trunk and/or limbs, including unilateral and bilateral pain associated with failed back surgery syndrome, intractable low back pain and leg pain. This indication allows physicians to prescribe the Evoke System, and for Saluda to market the Evoke System, generally for any chronic intractable pain of the trunk and/or limbs, regardless of the condition with which such pain is associated, and specifically for unilateral and bilateral pain associated with failed back surgery syndrome, intractable low back pain and leg pain, which are listed on the label. For example, Saluda markets the Evoke System for chronic pain associated with failed back surgery syndrome, which according to SmartTRAK, makes up an estimated 55% of all SCS procedures in the United States[23] and, based on a potential SCS market in the United States in 2024 of US$18.96 billion, represents a potential SCS market in the United States of approximately US$10.43 billion. Saluda is seeking FDA approval to expand its ability to market the Evoke System specifically for other conditions, such as non-surgical back pain, complex regional pain syndrome or diabetic peripheral neuropathy. See Section 2.9.1 for information on how the Evoke System is regulated by the FDA.

Saluda estimates that worldwide annually there are 560,000 patients with failed back surgery syndrome, 140,000 patients with complex regional pain syndrome, 400,000 patients with non-surgical back pain, and 100,000 patients with diabetic peripheral neuropathy, resulting in 1.2 million new patients worldwide annually with these conditions who are eligible for SCS therapy.[24] Approximately 56,000 patients with failed back surgery syndrome, 14,000 patients with complex regional pain syndrome, 4,000 patients with non-surgical back pain, and 1,000 patients with diabetic peripheral neuropathy receive a permanent SCS device implant each year, resulting in a total of 75,000 patients annually who receive SCS therapy, or approximately 6%, of the 1.2 million new patients who are eligible for SCS therapy.[25] Despite several decades of commercial efforts by large, incumbent players, Saluda believes that this low level of penetration is due to the lack of general awareness of the potential clinical benefits of SCS therapy and the limitations of standard SCS devices, which the Evoke System was designed to address. Saluda believes that there is a significant opportunity for its system to drive increased adoption of SCS therapy among clinicians and patients and to meaningfully expand the market for SCS in treating chronic neuropathic pain.

2.8 COMPETITION

Saluda's main competition is standard SCS devices. Saluda also competes with other companies that aim to treat chronic neuropathic pain through other interventional techniques, including steroid injections, nerve blocks or nerve ablation and peripheral neurostimulation, as well as traditional pain management options, such as opioids.

Currently, Saluda's primary competitors in the SCS field include Abbott Laboratories, Boston Scientific Corporation, Medtronic plc, Nevro Corp., a subsidiary of Globus Medical, Inc., and Biotronik, Inc. Many of Saluda's competitors have greater capital resources, more established operations, longer commercial histories and more extensive relationships with clinicians. They have wider product offerings they can deliver beyond neurostimulation, providing them with greater supplier power and with more opportunities to interact with stakeholders involved in purchasing decisions. Saluda also expects its competitors may launch new, directly competing products and release additional clinical evidence. For example, Medtronic plc announced FDA approval of its Inceptiv SCS System in April 2024, which Saluda believes is the only other SCS therapy with ECAP sensing capabilities. To Saluda's knowledge, there is no published long-term data (i.e., through at least 12 months) of the Inceptiv SCS System. The system is designed to sense ECAPs at a fixed frequency of 50 times per second. The Inceptiv SCS System is designed to respond to overstimulation to adjust the stimulation output of a version of the Differential Target Multiplexed (DTM) waveform. The Inceptiv SCS System may not sense ECAPs in all cases, is only available during the permanent implant phase (trial phase is standard open-loop SCS) and is contraindicated for use while driving motor vehicles.

Saluda believes that the primary competitive factors on which companies compete in the SCS industry are:

- greater company, product and brand recognition;
- superior product safety, efficacy, reliability, durability, usability and design;
- better quality and larger volume of clinical data;
- better ability to anticipate customer demand;
- better ability to address patient concerns and preferences;

23. SmartTRAK FY24 Neuromodulation Recap; SmartTRAK US Spinal Cord Market Forecast.
24. Based on publicly available information reported by other SCS companies.
25. SmartTRAK Q424/FY24 Neuromodulation Recap; SmartTRAK US Spinal Cord Market Forecast.

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- more effective marketing to and education of patients, clinicians, hospitals, ASCs and other medical facilities;
- more sales force experience and greater market access;
- better product support and customer service;
- more advanced technological innovation, product enhancements and speed of innovation;
- established contractual relationships with customers;
- more effective pricing and revenue strategies;
- better ability to attract and retain key personnel;
- more effective reimbursement teams and strategies;
- more effective clinical training teams; and
- additional lines of products and the ability to offer rebates or lower prices or bundle products to offer greater discounts or other incentives to gain a competitive advantage.

Saluda believes that the Evoke System offers compelling clinical and technical advantages relative to other commercially available systems, which are important factors in Saluda's future success (see Section 3.4).

2.9 REGULATORY FRAMEWORK

2.9.1 FDA (United States)

Unless an exemption applies, each medical device commercially distributed in the United States requires either FDA clearance of a 510(k) premarket notification, or approval of a PMA (premarket approval) application. Under the FDCA, medical devices are classified into one of three classes – Class I, Class II or Class III – depending on the degree of risk associated with each medical device and the extent of manufacturer and regulatory control needed to ensure its safety and effectiveness (i.e. Class I are the lowest risk and Class III are the highest risk).

The Evoke System is a Class III device and is marketed pursuant to a PMA order issued by the FDA. In a PMA, the manufacturer must demonstrate that the device is safe and effective for its intended uses, and the PMA application must be supported by extensive data, including results from pre-clinical studies and human clinical trials. The PMA must also contain a full description of the device and its components, a full description of the methods, facilities, and controls used for manufacturing, and proposed labelling.

Once a PMA application has been submitted, the FDA has 45 days from its receipt of the application to determine whether it will be accepted for filing based on a threshold determination that the application is sufficiently complete to permit substantive review. If FDA accepts the application for review, the FDA has 180 days under the FDCA to complete its review of a PMA, although in practice, the FDA's review often takes significantly longer and can take up to several years. During this review period, the FDA may issue requests for additional information or seek clarification on information already provided by the applicant. An advisory panel of experts from outside the FDA may be convened to review and evaluate the application and provide recommendations to the FDA as to the approvability of the device. In addition, the FDA will generally conduct a pre-approval inspection of the applicant or its third-party manufacturers' or suppliers' manufacturing facility or facilities to ensure compliance with the QSR.

The FDA will approve the new device for commercial distribution if it determines that the data and information in the PMA constitute valid scientific evidence and reasonable assurance that the device is safe and effective for its intended use(s). The FDA may also approve a PMA with post-approval conditions intended to ensure the safety and effectiveness of the device, including, among other things, restrictions on labelling, promotion, sale and distribution, post-market surveillance and collection of long-term follow-up data from existing clinical studies or requirements to conduct new clinical studies post-approval.

Certain changes to an approved device, such as changes in manufacturing facilities, methods, or quality control procedures, or changes in the design performance specifications, which affect the safety or effectiveness of the device, require submission of a PMA supplement. PMA supplements often require submission of the same type of information as a PMA, except that the supplement is limited to information needed to support any changes from the device covered by the original PMA and may not require as extensive clinical data or an advisory panel.

After a device is cleared or approved for marketing, numerous and pervasive regulatory requirements continue to apply, including QSR requirements, which currently require manufacturers, including third-party manufacturers, to follow stringent design, testing, control, documentation and other quality assurance procedures during all aspects of the design and manufacturing process.

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2.9.2 CE Marking (Europe)

For Saluda to sell the Evoke System in EU member states, the Evoke System must comply with the general safety and performance requirements of the EU MDR, which repeals and replaces the Medical Devices Directive and the Active Implantable Medical Devices Directive (**EU AIMD**). Compliance with these requirements is a prerequisite to be able to affix the European Conformity, or CE mark to products, without which they cannot be sold or marketed in the EU. The Company's certificates for the Evoke System were initially granted under the EU AIMD and with successful certification to the EU MDR in April 2024.

All medical devices (including active implantable medical devices) certified under the EU MDR must meet the general safety and performance requirements laid down in Annex I to the EU MDR including the requirement that a medical device must be designed and manufactured in such a way that, during normal conditions of use, it is suitable for its intended purpose. Medical devices must be safe and effective and must not compromise the clinical condition or safety of patients, or the safety and health of users and – where applicable – other persons, provided that any risks which may be associated with their use constitute acceptable risks when weighed against the benefits to the patient and are compatible with a high level of protection of health and safety, taking into account the generally acknowledged state of the art.

To demonstrate compliance with the general safety and performance requirements, Saluda must undergo a conformity assessment procedure, which varies according to the type of medical device and its (risk) classification. A conformity assessment procedure generally requires the intervention of a notified body. The notified body would typically audit and examine the technical file and the quality system for the manufacture, design and final inspection of Saluda's devices. If satisfied that the relevant product conforms to the relevant general safety and performance requirements, the notified body issues a certificate of conformity, which the manufacturer uses as a basis for its own declaration of conformity. The manufacturer may then apply the CE marking to the device, which allows the device to be placed on the market throughout the EU.

The above rules are generally applicable in the European Economic Area, or the EEA, which consists of the 27 EU member states plus Norway, Liechtenstein and Iceland.

2.9.3 TGA (Australia)

To supply a medical device in Australia, it must first be included in the Australian Register of Therapeutic Goods (**ARTG**) through a regulated process overseen by the Therapeutic Goods Administration (**TGA**), involving classification, conformity assessment, documentation submission, and a potential application audit. The Evoke System is classified by system component (Class I – III). Conformity assessment is assessed to the Essential Principles for safety, performance and quality. The Evoke System has been included in the ARTG since 2019.

In 2025, the TGA concluded a post-market review of all SCS devices listed in the ARTG. The TGA requested that all sponsors of SCS devices listed on the ARTG provide certain information about their products, including instructions for use and clinical data supporting the intended use, for their post-market review. Based on their review of this information, the TGA removed some devices (not the Evoke System) and sent other manufacturers (including Saluda) conditions of inclusion, or COIs, including providing the TGA with certain post-market surveillance data once a year. Saluda's COIs required the Company to amend the Australian label for the Evoke System to indicate that its intended purpose is to aid in the management of chronic intractable pain of the lower back and/or legs. The TGA's explanation for the amendment was that Saluda had not accumulated long-term data in other indications outside of the EVOKE study to receive an expanded label indication in Australia.

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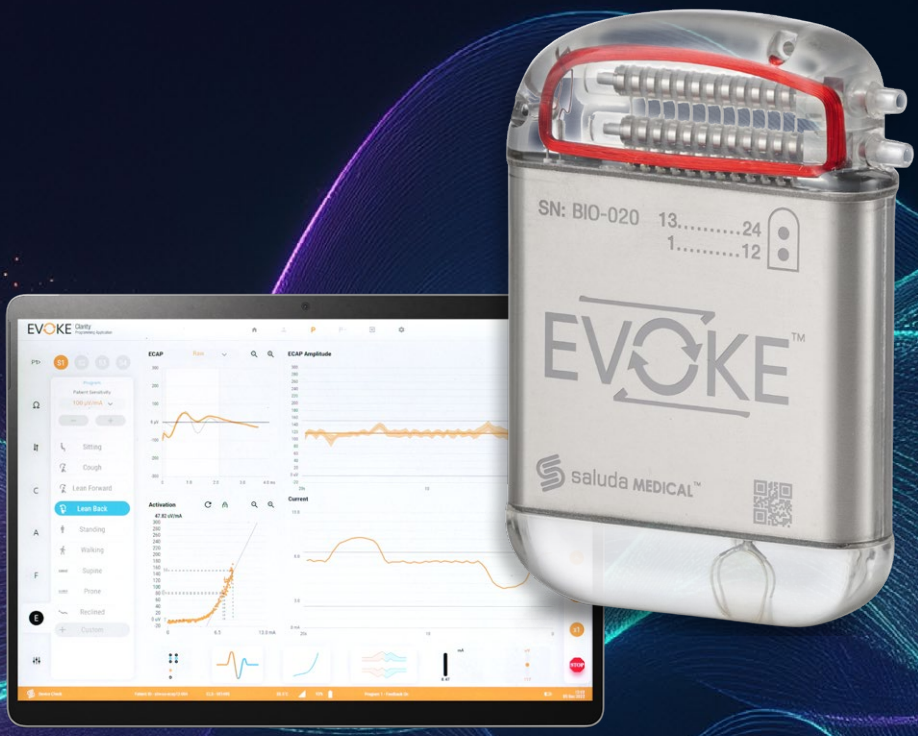

3. Company overview

3. Company overview

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3.1 OVERVIEW OF SALUDA

Saluda is a commercial-stage medical device company focused on developing treatments for chronic neurological conditions using its novel neuromodulation platform. Saluda's closed-loop, dose-control platform is designed to sense and measure neural responses to stimulation and automatically adjust therapy based on real-time neurophysiological feedback. Saluda has developed this core competency through over 15 years of scientific and clinical research. Saluda is initially focused on leveraging its platform to disrupt and grow the SCS market for chronic pain but believes the unique capabilities of its platform could have wide application across several therapeutic areas in neuromodulation.

Saluda's product, the FDA-approved Evoke® System, is designed to treat chronic neuropathic pain by providing SCS therapy that senses and measures neural activation to optimise therapy and reduce patient and clinician burden. Saluda believes its system is the only SCS therapy that can maintain a prescribed neural dose by adjusting therapy in real time with every stimulation pulse, up to 250 times per second.

Saluda has conducted the first and only prospective, multi-centre, parallel-arm, double-blind, randomised controlled pivotal study with a voluntary crossover arm in SCS, the EVOKE study. In this pivotal study, Saluda demonstrated the clinical superiority of its system over the fixed-output, open-loop therapy, which is a mode of therapy delivery used in most commercially available SCS devices, which Saluda refers to as standard SCS devices. Saluda believes that the Evoke System represents a paradigm shift in the delivery of SCS therapy and it intends to leverage its neuromodulation platform to expand to other indications that are underserved within pain and, ultimately, into areas beyond pain.

Saluda launched the Evoke System in select European countries in late 2019, in Australia in 2021, and in the United States in late 2022.

Figure 3.1: Saluda's current global presence



3.2 HISTORY

Saluda Medical Pty Limited (ACN 145 902 272) (**Saluda Australia**) was originally incorporated in Australia in 2010 under the name Implantable Micro Medical Devices Pty Ltd and later changed its name to Saluda Medical Pty Limited in 2012. Saluda Australia was formed to commercialise technology developed in NICTA, formerly named National ICT Australia Ltd, which was Australia's Information and Communications Technology (ICT) Research Centre of Excellence (now part of the CSIRO).

On 7 February 2023, Saluda incorporated in Delaware under the name Saluda Medical, Inc. and Saluda Australia became a wholly owned subsidiary of Saluda on 2 April 2023, as a result of the redomicile of the Saluda group from Australia to Delaware, United States.

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Figure 3.2: Timeline of key milestones for Saluda

Phase 1 (2010–2015)	Phase 2 (2016–2022)	Phase 3 (2023–2025)	Phase 4 (2026 and beyond)
Foundation and Early Development • Founded in Sydney, Australia • Focused on developing closed-loop, neural-sensing SCS technology for chronic pain and neurological disorders • Built strong intellectual property base (with over 290 issued patents as at 1 October 2025[26]) • Conducted early feasibility studies demonstrating proof of concept for Evoke closed-loop SCS system • First in-human implant in Australia in October 2015 as part of Australian open label study in 2015 – 2019	**Clinical Validation and Regulatory Approvals** • Launched pivotal EVOKE study in 2017 – the world's first and only double-blind, randomised controlled trial in SCS (134 patients, 13 U.S. sites) • FDA Premarket Approval (**PMA**) submissions prepared based on EVOKE study 12-month outcomes • PMA approval granted in February 2022 for Evoke System • CE Mark and TGA approvals achieved earlier, allowing initial commercial evaluation • U.S. commercial soft launch initiated in December 2022 • Expanded global presence with offices in Minnesota, United States, the United Kingdom, and the Netherlands	**U.S. Commercial Launch and Market Adoption** • Full U.S. commercial launch in July 2023 • Generated landmark long-term data from EVOKE study: 83% of patients achieved ≥50% pain reduction and 59% of patients achieved ≥80% pain reduction at 36 months; zero explants due to loss of efficacy in the EVOKE study; ~55% reduced or eliminated opioid use • Built U.S. commercial footprint – 63 fully trained sales representatives by mid-2025, covering less than 30% of U.S. target territories • Generated ~US$70M (A$107M) revenue in FY25, with ~52% YoY growth • Clinical adoption of Evoke System increasing with more than 250 physicians in the United States with at least one implant of the Evoke System during the three month period ended 30 June 2025	**Expansion and Pipeline Growth** • Commercial scale-up in the U.S., targeting full territory coverage (~180 territories) • Development of remote patient monitoring (**RPM**) ecosystem for real-time connectivity between patients, caregivers, and providers • Medium-term product launches (e.g., paddle lead system) to target ~$670 million annual surgical revenues in the U.S. from de novo placements • Continued growth supported by strong institutional investors • Continuing feasibility studies into sacral nerve stimulation, movement disorders, and other neurological applications

3.3 OVERVIEW OF THE EVOKE SYSTEM

The first commercial application of Saluda's proprietary platform is the Evoke System, a closed-loop SCS system designed for chronic pain management. The Evoke System is approved by the FDA to aid in the management of chronic intractable pain of the trunk and/or limbs, including unilateral or bilateral pain associated with failed back surgery syndrome, intractable lower back pain and leg pain. Unlike standard SCS devices, which only provide fixed levels of stimulation, Saluda's system leverages ECAPs to measure the spinal cord's response to electrical stimulation and adjust the stimulation accordingly to achieve and continuously maintain a targeted level of neural activation. This ensures the therapy remains at the patient specific prescribed level of neural activation, providing consistent and effective outcomes.

26. Refer Section 10 for details.

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Figure 3.3: The Evoke System



Within chronic pain, Saluda has branded its proprietary closed-loop technology as SmartLoop™. The Evoke System utilises SmartLoop, which Saluda believes makes it the only neuromodulation therapy that can deliver consistent spinal cord activation. To control neural activation, SmartLoop performs the following three critical steps, which occur with every stimulation pulse, up to 250 times per second:

(a) Stimulate the nerves – once implanted, the Evoke System delivers electrical stimulation to the spinal cord, which activates neural fibres, thereby generating ECAPs and interrupting pain signals.

(b) Measure the nerve's response – following a stimulation pulse, the Evoke System senses these ECAPs and uses them to measure and record the characteristics of the activated nerve fibres. Using ECAPs, Saluda's system can quantify the level of neural activation and determine a desired target neural dose to be set by the clinician.

(c) Control the neural dose on every pulse – The Evoke System continuously compares the level of neural activation with the target level set by the clinician during programming and automatically adjusts the stimulation current of the next pulse to ensure a consistent level of neural activation.

Figure 3.4: The Evoke System's personalised, closed-loop technology

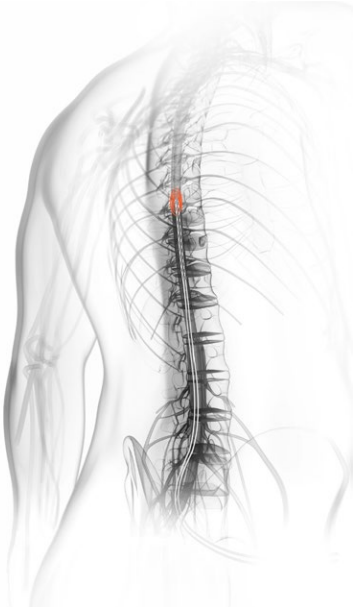

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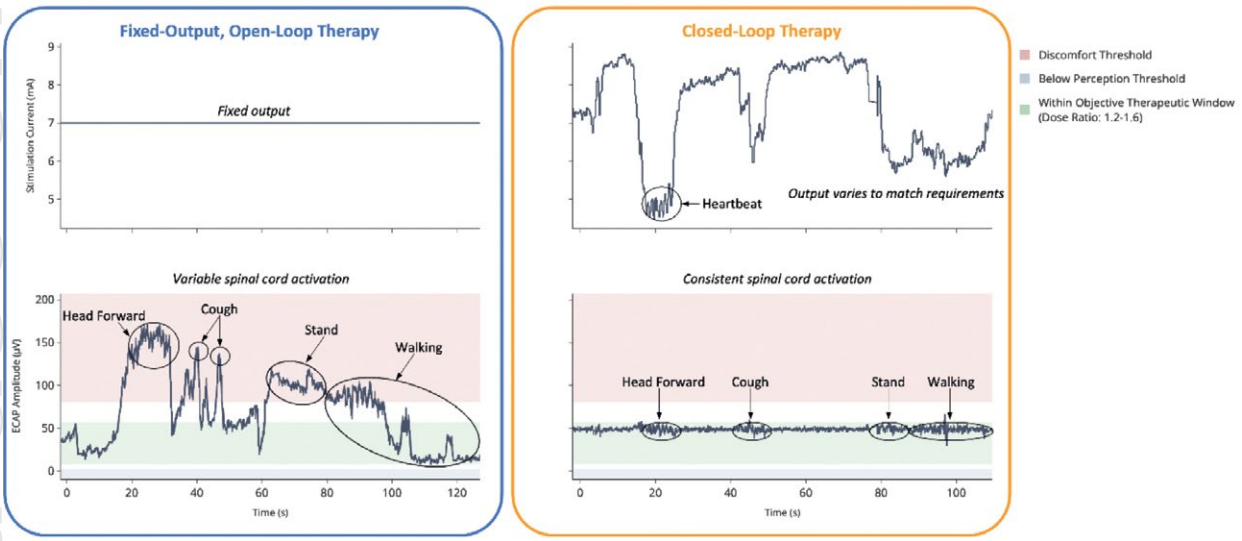
Figure 3.5: Example of neural activation of the Evoke System in open-loop mode with fixed-stimulation compared to the neural activation with Saluda's system in closed-loop mode for the same patient



3.4 KEY BENEFITS OF THE EVOKE SYSTEM

The Evoke System is designed to address the limitations of standard SCS devices, and Saluda believes the Evoke System offers the following unique benefits:

3.4.1 Objectively measures neural response to stimulation and automatically adjusts therapy

The physiological data derived from sensing each ECAP enables an objective measurement of the level of neural activation, rather than relying on subjective, patient-reported feedback to assess the effectiveness of treatment. This continuous, objective measurement also allows the Evoke System to automatically adjust the level of stimulation in real time, optimising the neural activation for maximum analgesic effect and a more precise and consistent treatment. In the EVOKE study, the patients in the closed-loop arm experienced nine times more precise therapy and three times more neural activation compared to the patients in the open-loop arm at 24 months.[27]

3.4.2 Superior long-term and durable efficacy compared to standard SCS devices

Patient outcomes from the EVOKE study demonstrated positive and durable safety and efficacy results for the Evoke System. The Evoke System demonstrated clinical superiority to the open-loop arm in treating overall back and leg pain. Saluda's clinical data demonstrated that patients showed sustained pain relief at each of the 12, 24 and 36 month follow-up periods, with zero explants due to loss of efficacy and improved holistic outcomes, such as improved sleep, mood and disability scores. See Section 3.9.1 for further details.

3.4.3 Minimised therapy burden for patients

The Evoke System's ability to automatically adjust stimulation based on neural responses is designed to increase the accuracy of the therapy and reduce the potential for over or under stimulation. This ability decreases the patient's need to manually adjust stimulation levels with their remote and typically limits the incidence of visits to the clinic for reprogramming. Clinical data from the EVOKE study showed that patients in the closed-loop arm manually adjusted their stimulation levels with a frequency of daily button clicks decreasing from 1.0 at 3-months to 0.1 at 36-months.[28] Additionally, 50% of patients in the study had zero reprogramming visits after one year of therapy, and, on average, patients in the closed-loop arm had less than one interim reprogramming visit per year.[29] Saluda continues to observe similar trends regarding reprogramming visits in its commercial experience. Based on the Evoke System's commercial reprogramming data across the United States and Australia through August 2025, 59.9% of patients with the Evoke System were reprogrammed one or fewer times in the 12 months following the six-month calibration period and 89.3% of patients were seen one or fewer times after that.

27. Mekhail N, Levy RM, Deer TR, et al. Durability of Clinical and Quality-of-Life Outcomes of Closed-Loop Spinal Cord Stimulation for Chronic Back and Leg Pain: A Secondary Analysis of the Evoke Randomized Clinical Trial. JAMA Neurol. 2022. 79(3):251–260.
28. Sayed D, Lam C, Zub D. Minimizing Patient Burden using ECAP Dose-Controlled Closed-Loop Spinal Cord Stimulation. Poster presented at the ASPN 2024 Annual Conference, Miami, FL.
29. Mekhail N, Levy RM, Deer TR, et al. Durability of Clinical and Quality-of-Life Outcomes of Closed-Loop Spinal Cord Stimulation for Chronic Back and Leg Pain: A Secondary Analysis of the Evoke Randomized Clinical Trial. JAMA Neurol. 2022;79(3):251–260.

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3.4.4 Minimised management burden for clinicians and Saluda's sales team

By reducing the need for multiple and ongoing reprogramming visits, the Evoke System minimises the patient management burden for clinical staff and improves operational workflow and practice efficiency. This unique benefit of Saluda's system also enables its sales team to be more efficient with their time, allowing them to focus on building awareness and driving adoption. In addition, Saluda commercially launched its new programming platform, EVA, in the United States in July 2025. Saluda designed EVA to improve the SCS patient programming experience by automating manual programming steps and scanning and analysing a patient's nerves to optimise therapy settings. Saluda believes this automated programming workflow has the potential to further minimise the burden of care by substantially reducing the time element of programming and elevating the overall patient experience, while simultaneously improving daily clinic throughput and simplifying the sales representative training process.

Figure 3.6: Comparison of therapy burden of standard SCS and Evoke System

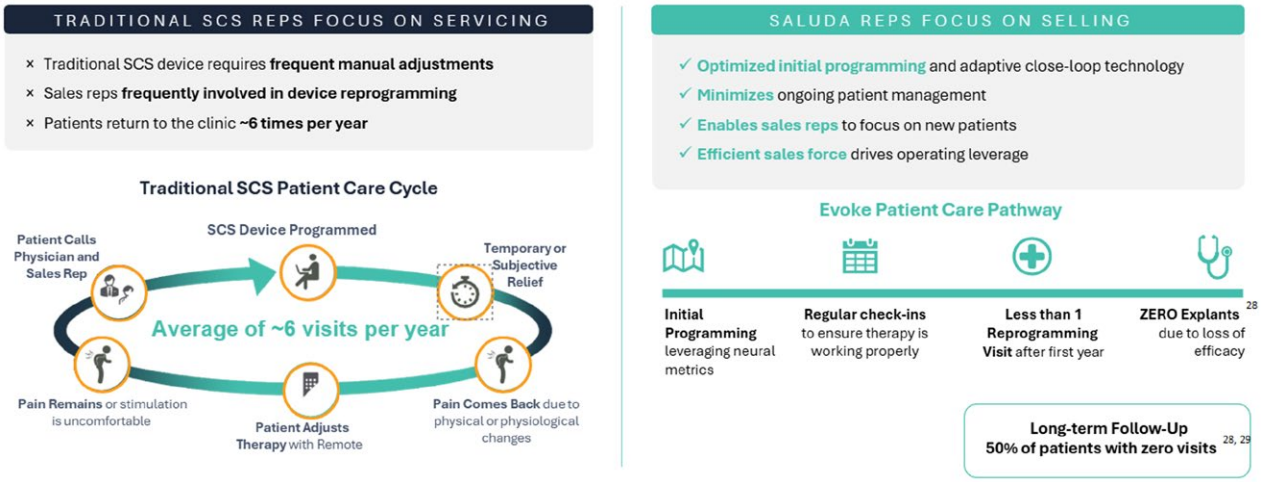
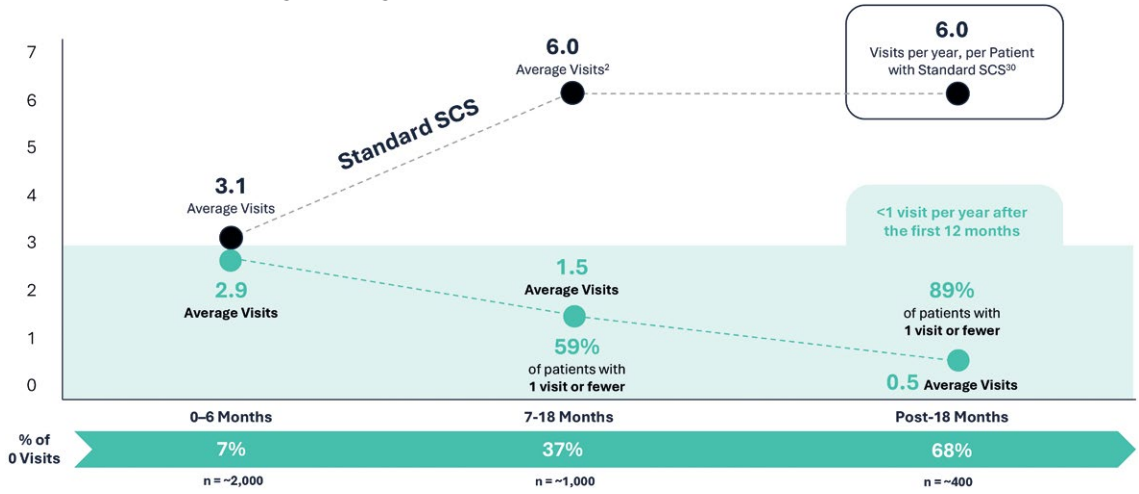


Figure 3.7: Comparison of reprogramming rates



30. Mekhail N, Levy RM, Deer TR, et al. Durability of Clinical and Quality-of-Life Outcomes of Closed-Loop Spinal Cord Stimulation for Chronic Back and Leg Pain: A Secondary Analysis of the Evoke Randomized Clinical Trial. JAMA Neurol. 2022;79(3):1-10.
31. Reprogramming visits after one year of therapy in EVOKE study. n=20.
32. Amirdelfan K, Antony A, Levy R, et al. Patient Burdens Associated with Spinal Cord Stimulation: Impact of Wait Times to Address Device-Related Issues In A Real-World Cohort With Chronic Back And Leg Pain. WIPabstract P-136. Pain Pract.2022;22: 25-27.

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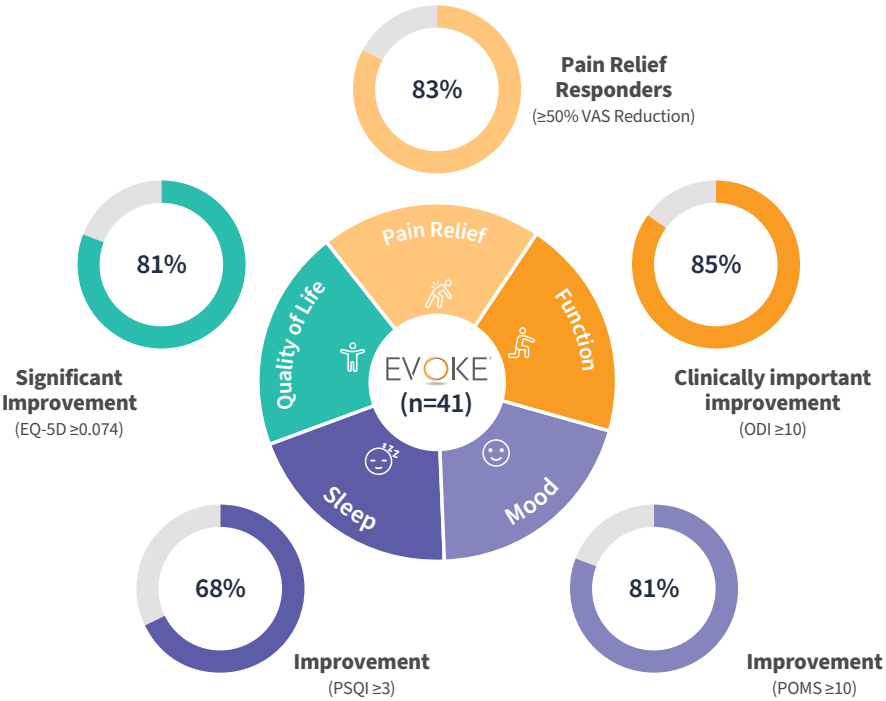
3.4.5 Meaningful improvements in holistic outcomes beyond pain relief

In the EVOKE study, Saluda demonstrated that the Evoke System disrupted the chronic pain cycle with significant improvements across pain relief, disability, mood, sleep and quality of life, collectively referred to as holistic outcomes. Long-term evidence from the EVOKE study showed that 100% of patients treated with the Evoke System were clinically significant responders in at least one of these outcome measures and more than half of these patients displayed clinically significant improvements in all five holistic outcomes at 36 months. Furthermore, Saluda observed a meaningful reduction in opioid usage among patients implanted with its closed-loop system, with 55% of patients reporting they voluntarily reduced or eliminated their opioid usage at 36 months.[33]

Figure 3.8: Summary of quality of life holistic outcomes of EVOKE study patients



See Section 3.9.2 for further details on the holistic outcomes of the EVOKE study.

3.4.6 An ability to deliver effective therapy in a wider range of anatomical positions in the spine

Given that the Evoke System can adjust the level of stimulation in real time to avoid movement-related under-or-over-stimulation, physicians are able to implant the leads of Saluda's system in areas of the spine that historically have been avoided with standard SCS devices. For example, in regions of the spine with a high range of mobility, such as the cervical spine, or large CSF layers, such as the lower and upper thoracic spine, movement often changes the space between the leads and the spinal cord and can create painful or uncomfortable overstimulation. In contrast, Saluda's system automatically adjusts the level of stimulation in real time in response to movement-related change in neural activation, thereby enhancing the therapeutic effectiveness and reducing side effects.

33. Mekhail NA, Levy RM, Deer TR, et al. Neurophysiological outcomes that sustained clinically significant improvements over 3 years of physiologic ECAP-controlled closed-loop spinal cord stimulation for the treatment of chronic pain, Regional Anesthesia & Pain Medicine 2024,0:1-8.

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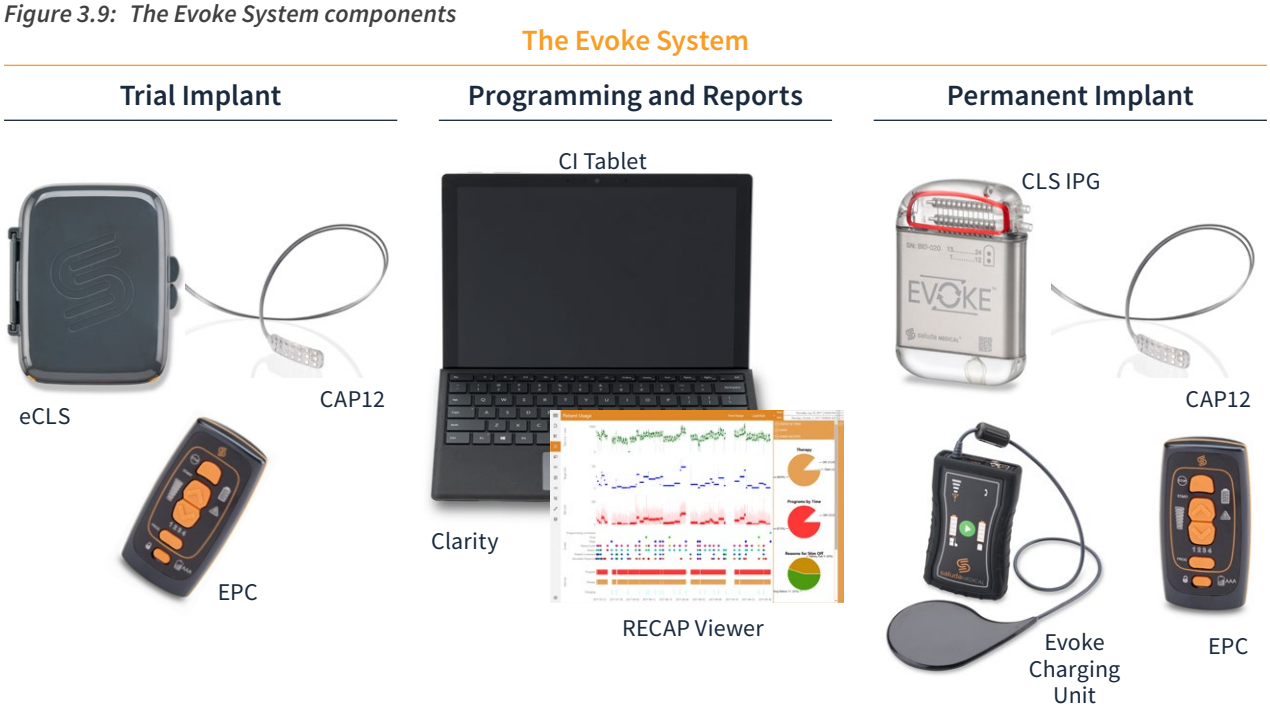
3.5 KEY COMPONENTS OF THE EVOKE SYSTEM

The Evoke System consists of both implantable and non-implantable components, including an IPG, trial stimulator, leads, charger, patient remote control and a clinical interface tablet with two preinstalled software applications.

Figure 3.9: The Evoke System components



3.5.1 The Evoke closed-loop stimulator

The closed-loop stimulator (**CLS**), is a totally implanted IPG that houses the electronics and a rechargeable battery that powers the Evoke System. Saluda's system is magnetic resonance imaging conditional with labelling of 1.5T full-body and 3.0T head and knee. The rechargeable battery in the CLS is expected to last more than ten years when used at moderate settings, as indicated by the FDA label.

3.5.2 The Evoke external closed-loop stimulator

The Evoke external CLS (**eCLS**), is an external version of the CLS technology used during the trial stimulation period. The eCLS is typically worn externally on the patient's body for an average of seven days, allowing patients and clinicians to assess the effectiveness of the therapy before proceeding to a permanent implant.

3.5.3 12 contact percutaneous SCS leads

Both Saluda's CLS and eCLS utilise one or two leads, uniquely designed for the Evoke System, that are placed in the epidural space overlying the spinal cord and are connected to the respective stimulator. Both leads contain 12 electrode contacts versus the typical eight in standard SCS devices, which in combination with SmartLoop, enables the Evoke System to simultaneously sense and deliver stimulation to targeted nerves. The leads are offered in two different lengths for both cervical and thoracic placement.

3.5.4 The Evoke charging unit

The charging unit is connected to a charging pad allowing the patient to conveniently recharge their CLS device at home. Patients are directed when to recharge their CLS by the patient controller. However, in the EVOKE study, the estimated median number of days it took to deplete the Evoke System battery was 6.2 for closed-loop SCS compared to 6.3 for open-loop SCS, which was deemed equivalent to standard SCS devices by the FDA and CMS.[34]

34. Mekhail NA, Levy RM, Deer TR, et al, ECAP-controlled closed-loop versus open-loop SCS for the treatment of chronic pain: 36-month results of the EVOKE blinded randomized clinical trial, Regional Anesthesia & Pain Medicine 2024;49:346-354.

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3.5.5 The Evoke patient controller

The Evoke patient controller is a remote control that allows the patient to manually adjust the target level of neural activation maintained by the CLS in closed-loop mode, adjust the stimulation current output by the CLS in open-loop mode, change therapy programs and turn the system on or off. The Evoke patient controller and the CLS communicate wirelessly. The patient controller also indicates the battery level of the CLS and informs the patient when they should recharge.

3.5.6 The Evoke clinical interface tablet

The Evoke clinical interface is a tablet computer with the Clarity programming application, including EVA, and RECAP viewer, two preinstalled, proprietary, software applications used by the clinician enabling device programming and patient neurophysiologic analysis. The clinical interface, including Clarity and the RECAP viewer, received FDA approval in December 2022. EVA received FDA approval in December 2024. EVA is not presently approved in Europe or Australia.

Figure 3.10: The Evoke clinical interface



3.5.7 Clarity programming application with EVA

Clarity, enhanced by EVA, is a smart user interface programming software designed to interact with the CLS by optimising the programming of the spinal cord's response to stimulation using real-time, objective measurements of neural activation. EVA is designed to further refine this by automating parts of the programming process through scanning and analysing the spinal cord to deliver precise, personalised therapy. Clarity enables clinicians to instantly observe how the spinal cord responds to stimulation in order to set the precise level of neural activation required to inhibit pain. The system displays the ECAP, or the patient's unique neural signature, the patient's dose response curve or the spinal cord's sensitivity to stimulation, real-time neural activation, and the automatic adjustments of the stimulation in four separate windows. Given these unique capabilities, Clarity, with the integration of EVA, enables an individualised programming experience for both the patient and clinicians based on the objective measurement of the patient's level of neural activation.

In a recent prospective study[35], over 90% of patients reported high satisfaction with the EVA platform, reflecting both clinical efficacy and patient acceptance the technology. This multicentre, real-world survey was conducted at 24 clinical sites with 98 chronic pain patients who underwent de novo Evoke therapy programming using the EVA platform. 97% of patients in the study reported feeling a strong sense of control over their SCS therapy post EVA programming when asked the question 'Do you feel in control of your therapy when using EVA'. This highlights a high level of patient empowerment in managing their pain condition. 96% of patients expressed satisfaction with their EVA programming experience, reflecting a highly positive user experience and strong engagement with their SCS therapy management. Pain responder (≥50% pain relief), and high responder rates (≥80% pain relief) were 92% and 67%, respectively.

35. Antony A et al. Novel Automated Platform to Upgrade SCS Programming Experience from Subjective to Objective - Results from a Prospective, Dose Controlled Closed-loop Clinical Study. Poster presented at the 2025 North American Neuromodulation Society Conference (NANS 2025), Orlando, FL

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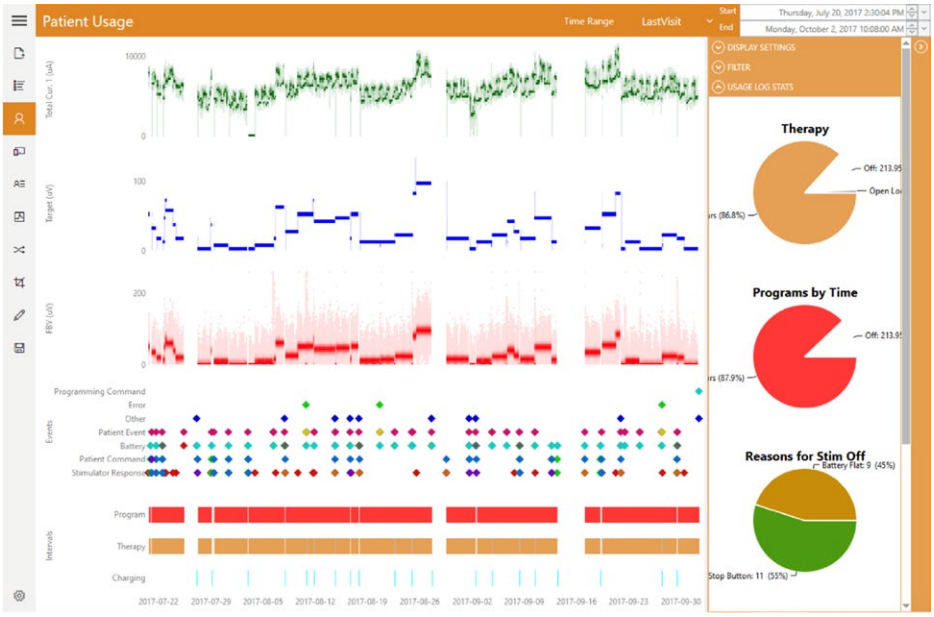
Figure 3.11: EVA automated programming interface



3.5.8 RECAP viewer

The RECAP viewer is a software application that uses data collected from in-clinic programming sessions via Clarity and data downloaded from the CLS to record patient therapy usage at home. This data is captured in real time and displayed in summary form via customised charts and tables that enable the clinician to track therapy metrics and treatment progress longitudinally over time. Specifically, the data shows patient-specific physiological information around therapy dose control, therapy utilisation and patient response to therapy. The RECAP viewer can also review individual programming sessions to identify the history of settings within a single session, postural assessment history and final settings for each program.

Figure 3.12: RECAP viewer example screen depicting at-home therapy usage data



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3.6 FDA RECOMMENDATION ON LEGACY INVENTORY

In pursuit of continuous improvements to enhance product satisfaction, Saluda requested FDA approval of an enhanced lead anchor and anchor locking tool for the Evoke System and an enhancement for the Evoke battery charging accessory. As part of the review and approval process, the FDA has asked Saluda to consider taking some type of field action associated with legacy inventory of these products. As a result, Saluda is actively evaluating an appropriate course of action associated with a legacy version of one of the anchor products. Saluda's records indicate that there is a relatively small number of these legacy anchors remaining in the field as Saluda currently markets a newer version of this anchor. Regarding the battery charging accessory, Saluda believes this issue will be resolved successfully without any material business impact.

3.7 SALUDA'S PIPELINE FOR ACCESSORY AND COMPONENT PRODUCTS

Saluda is committed to continuously enhancing its portfolio of neuromodulation solutions to bring next generation products to market. Saluda plans to continue to innovate through improvements to its software and hardware, and to leverage its proprietary platform technology to expand into additional indications. Before Saluda can market any of its products under development, or market existing products for new indications, Saluda will need to obtain FDA approval (as well as regulatory approvals in Australia and Europe) for such products or indications.

3.7.1 Paddle leads

Saluda is currently developing a paddle lead system that it expects will enable it to enter the neuro and orthopaedic surgery market. Based on a study conducted by Hussaini et al. and published in Neuromodulation in 2017, neuro and orthopaedic surgeons account for approximately 30% of all SCS implants in the United States.[36] The Evoke System currently utilises percutaneous leads, which can be inserted into the patient via a minimally invasive procedure using an epidural needle. Competitively marketed paddle leads are an alternative to percutaneous leads requiring an open surgical procedure to be implanted into the patient and are typically used by neuro and orthopaedic surgeons using competitive systems. Therefore, Saluda believes a paddle lead system would allow it to enter the neuro and orthopaedic surgery market. Saluda submitted a PMA supplement for the use of these new leads to the FDA in March 2025. Saluda currently expects to receive approval for this PMA supplement in the first half of calendar year 2026, and is targeting U.S. commercial launch in the second half of calendar year 2026 following approval of the PMA supplement.

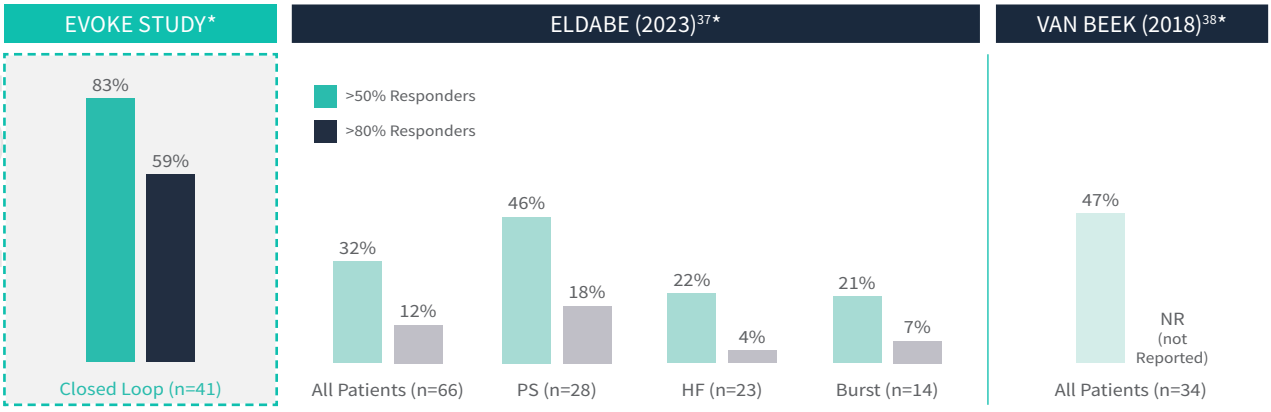
3.7.2 Next generation IPG and other product developments

Saluda is in the early stages of an active development project for the new IPG that will reduce the size of the implant as well as reduce the unit cost. Saluda also plans to continually explore opportunities to improve and upgrade its hardware, surgical tools, and trialling system.

3.7.3 Indication expansion opportunities

Durable, Long-Term 36-Month Data

Outside of EVOKE, published literature shows limited evidence of SCS durability regardless of waveform modality.



* Calculated with permission using individual patient data for the Eldabe (2023) trial overall population, PS (paresthesia-based stimulation), HF (high-frequency) and Burst outcomes for ≥50% reduction and ≥80% reduction in pain. Programming method missing for 1 patient.

36. Hussaini et al. Specialty-Based Variations in Spinal Cord Stimulation Success Rates for Treatment of Chronic Pain. Neuromodulation. 2017.
37. Eldabe S, et al. Neurosurgery 2023; 92(1): 75-82;
38. van Beek M, et al. Diabetes care 2018; 41(1): 32-8; 36-month results. Remacle TY, et al. Neuromodulation 2017; 20(7): 668-74. Kemler MA, et al. J Neurosurg 2008; 108(2): 292-8.

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In addition to its efforts in software and hardware improvements, Saluda continues to conduct clinical work in potential indications inside and outside of SCS. Within pain, Saluda may expand its ability to market the Evoke System specifically for other conditions, such as non-surgical back pain, complex regional pain syndrome or diabetic peripheral neuropathy.

Saluda is also exploring opportunities to leverage its platform outside of pain and has begun to conduct IDE clinical studies to evaluate the feasibility of its SmartLoop technology for use in activating the spinal cord to treat neurodegenerative diseases, such as movement disorders, and in nerves outside of the spinal cord such as the sacral nerve.

Saluda is in the early stages of exploring these potential expansion opportunities and will assess pursuing these opportunities based on the results from these studies, its assessment of market research and its business strategy. Saluda holds intellectual property related to its work in these expansion opportunities.

3.8 SALUDA'S CLINICAL RESULTS AND STUDIES

Saluda has invested in building a significant body of clinical evidence to support the safety, efficacy and durability of the Evoke System for the treatment of chronic neuropathic pain. Most notably, the results of the EVOKE study, Saluda's pivotal study in the United States that served as the basis for the FDA approval of its PMA application for the Evoke System, demonstrated the superiority of the Evoke System over open-loop therapy to treat chronic neuropathic pain.

Saluda believes that clinical evidence supporting effective pain relief is important to clinicians as they select a therapy for their patients. Despite prior studies demonstrating effective pain relief, Saluda believes the lack of randomised controlled trial study designs, long-term assessment of clinical outcomes and real-world data has contributed to the limited adoption of standard SCS devices. As a result, Saluda has focused its clinical strategy on aiming to demonstrate the highest level of clinical validation of its technology.

3.9 EVOKE STUDY OVERVIEW – U.S. PIVOTAL STUDY

3.9.1 Overview

The EVOKE study is the first and only prospective, multi-centre, parallel-arm, double-blind, randomised controlled pivotal study with a voluntary crossover arm in SCS. The study was conducted across 13 U.S. sites to support the PMA approval of the Evoke System. The study compared clinical outcomes of closed-loop SCS versus open-loop SCS for the treatment of chronic, intractable back and leg pain. Patients in each arm were implanted with the IPG used in the Evoke System and were randomly assigned to be treated with Saluda's proprietary closed-loop technology (**CL-SCS**), or open-loop SCS (**OL-SCS**). The OL-SCS was deemed equivalent to standard SCS devices by the FDA and CMS. The study was designed to assess both non-inferiority and superiority of pain responders in the CL-SCS arm compared to the OL-SCS arm.

The study completed enrolment of 134 patients in 2018 and patients were randomised on a 1:1 ratio to be treated with either CL-SCS or OL-SCS following the trial procedure. Patient eligibility was determined by the presence of chronic, intractable back and leg pain that was refractory to conservative therapy. Randomised patients underwent a temporary SCS trial lasting an average of six days, where those achieving 50% or more overall back and leg pain reduction were eligible for permanent implantation. Pain was quantified using the Visual Analogue Scale (**VAS**), which measures a patient's pain intensity on a zero to ten scale, with zero representing no pain and ten representing the worst pain imaginable. Of the 134 patients enrolled, 113 patients received a permanent implant (59 in the CL-SCS arm and 54 in the OL-SCS arm).

The patients were evaluated at selected intervals over a 36 month period, which Saluda believes is the longest follow-up period available for an Investigational Device Exemption (**IDE**) study of an SCS therapy and the longest blinding period in any SCS trial. After 24 months, patients were also permitted to crossover, meaning OL-SCS patients could opt to switch to the CL-SCS arm, and vice versa. Crossover was voluntary, blinded and self-selected, with all patients allowed to crossover independently of the level of pain relief. After crossing over, patients could choose to return to the original therapy arm or remain in the crossover arm at one and three months post-crossover. Patients and site staff were blinded until after 36 months.

The primary endpoint of the study was the proportion of patients with a reduction of 50% or more in overall back and leg pain VAS from baseline with no increase in pain medications at three and 12 months. The study also had several secondary outcome measures, including the proportion of patients with a reduction of 80% or more in overall back and leg pain VAS from baseline. Additional secondary outcome measures included holistic, multi-dimensional treatment response to CL-SCS versus OL-SCS, including:

- VAS;
- Oswestry Disability Index (**ODI**), a questionnaire that measures the level of pain interference with various activities of a patient's daily living;
- Profile of Mood States (**POMS**), a questionnaire that measures emotional function in response to therapeutic intervention;
- Pittsburgh Sleep Quality Index (**PSQI**), a questionnaire that measures sleep quality; and
- European Quality of Life Five-Dimensional Five-Level (**EQ-5D-5L**), a questionnaire that measures quality of life.

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Holistic treatment response was measured by attaining minimal clinically important differences (**MCIDs**) across impaired domains. The breadth of treatment response refers to the number of domains in which at least one MCID was achieved and the depth of treatment response refers to the number of MCIDs obtained in each domain. The study also assessed patient satisfaction, opioid usage and additional objective device data characterising use, spinal cord activation and other neurophysiological properties.

3.9.2 Efficacy results

Saluda's efficacy results from the EVOKE study were published in The Lancet Neurology (December 2019)[39], JAMA Neurology (January 2022)[40] and Regional Anesthesia & Pain Medicine (July 2023, August 2023, March 2024).[41] The analysis of the primary endpoint was performed in the intention-to-treat (**ITT**) population, which included all randomised patients that either had known endpoint status or were presumed non-responders, and the permanent implant subset (**PIS**) population, which included all patients who received a permanent implant. The study met its primary endpoints at three and 12 months. Further, ECAP-controlled, CL-SCS demonstrated superiority when compared with OL-SCS at three and 12 months.

In the ITT population, 82.3% of CL-SCS patients demonstrated a reduction of 50% or more in overall back and leg pain VAS from baseline, compared to 60.3% of the OL-SCS patients at three months, and 83.1% of CL-SCS patients compared to 61.0% of OL-SCS patients at 12 months.[42] The results of the study demonstrated that closed-loop stimulation was superior to open-loop stimulation at three months and 12 months. The primary endpoint was also assessed in the PIS population, which allowed for a more specific assessment of the performance of closed-loop stimulation in the group of patients who actually received the permanent implant and underwent the full course of treatment. In the PIS analysis population, 87.9% of CL-SCS patients met the primary endpoint, compared to 71.7% of OL-SCS patients at three months, and 89.1% of CL-SCS patients compared to 73.5% of OL-SCS patients at 12 months.[43] These results demonstrated superiority of the CL-SCS arm compared to the OL-SCS arm at three and 12 months. Saluda believes the consistency of the outcomes of the primary endpoint analysis using the ITT population and the PIS population supports the robustness of the study conclusions.

Saluda continued to follow patients through 36 months. At 24 months, all patients were given the opportunity to voluntarily crossover to the opposite treatment arm, which remained blinded until they exited the study. Patients in the OL-SCS arm were more likely to try the alternative therapy compared to the CL-SCS arm. At 24 months, the CL-SCS arm experienced three times more neural activation (23 µV versus 7.5 µV) and nine times the accuracy of the neural activation (3 µV versus 27 µV) compared to the OL-SCS arm. In addition, in the ITT population, 79.1% of patients in the CL-SCS arm experienced a reduction of 50% or more in overall back and leg pain VAS from baseline compared with 53.7% of patients from the OL-SCS arm at 24 months.[44] Saluda also measured the percentage of time patients were within their therapeutic window (i.e., between perception threshold and discomfort threshold), and the percentage of patients of the CL-SCS arm and the OL-SCS arm within their therapeutic window were 93.9% and 46.1%, respectively, at 24 months.[45]

Patients were more likely to return to or stay in the CL-SCS arm rather than return to or stay in the OL-SCS arm. At the 36-month follow-up, 89% of patients that experienced CL-SCS, either as randomised or crossover, chose to complete the study in the CL-SCS arm.[46]

39. Mekhail, NagyBrounstein, Dan et al., Long-term safety and efficacy of closed-loop spinal cord stimulation to treat chronic back and leg pain (Evoke): a double-blind, randomised, controlled trial, The Lancet Neurology, Volume 19, Issue 2, 123–134 (**The Lancet Publication**).
40. Mekhail N, Levy RM, Deer TR, et al. Durability of Clinical and Quality-of-Life Outcomes of Closed-Loop Spinal Cord Stimulation for Chronic Back and Leg Pain: A Secondary Analysis of the Evoke Randomized Clinical Trial. JAMA Neurol. 2022;79(3):251–260 (the **JAMA Publication**).
41. Kapural L, Mekhail NA, Costandi S, et al; Durable multimodal and holistic response for physiologic closed-loop spinal cord stimulation supported by objective evidence from the EVOKE double-blind randomized controlled trial, Regional Anesthesia & Pain Medicine 2024;49:233-240 (the **First Regional Anesthesia & Pain Medicine Publication**); Mekhail NA, Levy RM, Deer TR, et al, ECAP-controlled closed-loop versus open-loop SCS for the treatment of chronic pain: 36-month results of the EVOKE blinded randomized clinical trial, Regional Anesthesia & Pain Medicine 2024;49:346-354 (the **Second Regional Anesthesia & Pain Medicine Publication**); Mekhail NA, Levy RM, Deer TR, et al. Neurophysiological outcomes that sustained clinically significant improvements over 3 years of physiologic ECAP-controlled closed-loop spinal cord stimulation for the treatment of chronic pain, Regional Anesthesia & Pain Medicine 2024,0:1-8 (the **Third Regional Anesthesia & Pain Medicine Publication**).
42. The Lancet Publication.
43. A Prospective, Multicentre, Randomized Double-Blind Study Examining the Safety and Efficacy of Using the Evoke Spinal Cord Stimulator (SCS) System with Feedback to Treat Patients with Chronic Pain of the Trunk or Limbs. Protocol Number SCLSH1503. Report Number CLIN-RPT-007480. Report Date 4 December 2019.
44. JAMA Publication.
45. JAMA Publication.
46. Second Regional Anesthesia & Pain Medicine Publication.

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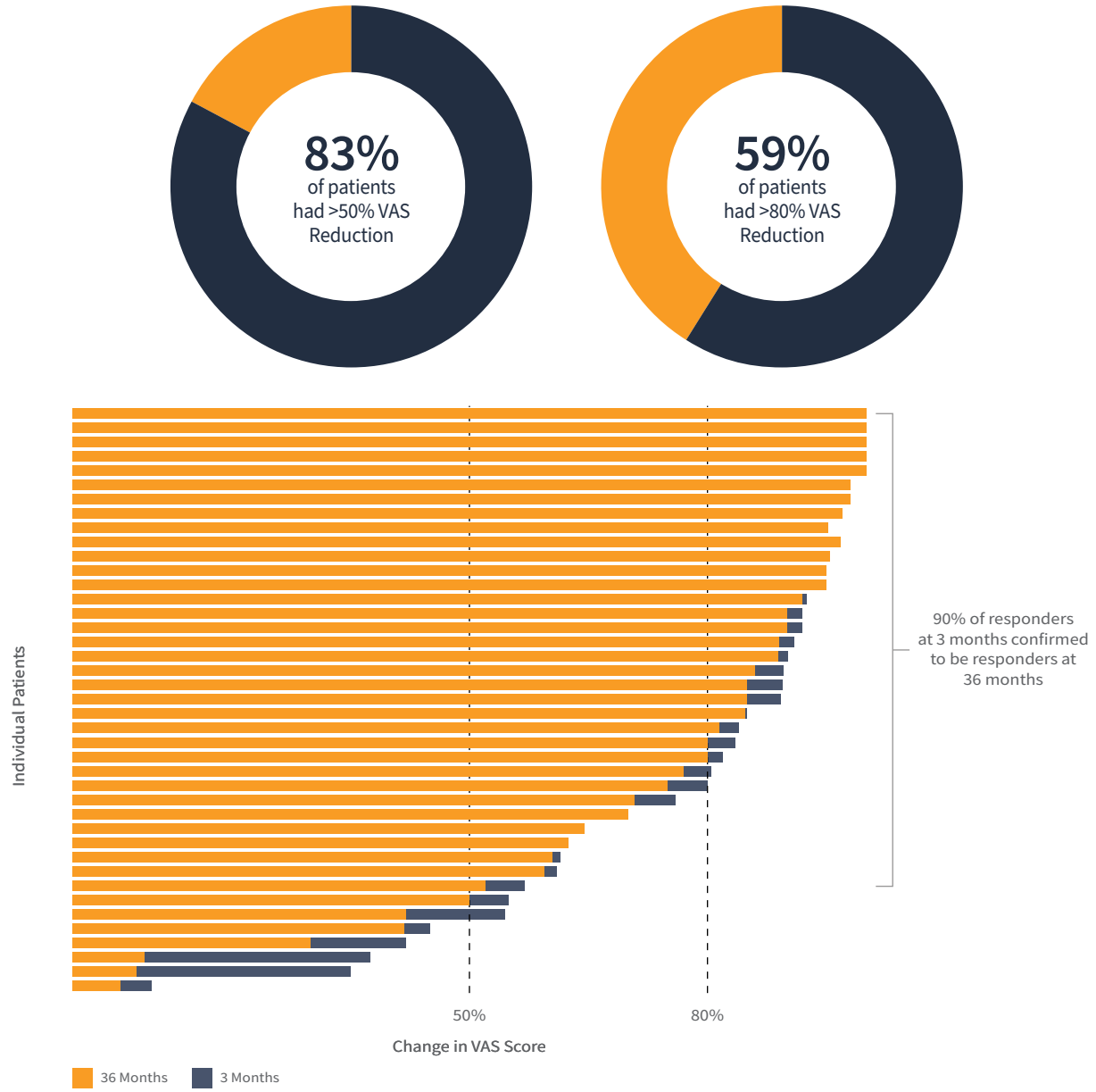
Through the 36-month follow-up, the CL-SCS arm continued to demonstrate a clinically significant responder rate. In the ITT population, 77.6% of CL-SCS patients demonstrated a reduction of 50% or more in overall back and leg pain VAS from baseline, compared to 49.3% of the OL-SCS patients at 36 months.[47] In the PIS population, the CL-SCS arm reported a reduction of 50% or more in overall back and leg pain VAS from baseline in 83% of patients and a reduction of 80% or more in 59% of patients at 36 months (as depicted in the image below).[48] In addition, 90% of CL-SCS patients who experienced a reduction of 50% or more in overall back and leg pain VAS from baseline at 3 months also met the same responder criteria at 36 months (as depicted in the image below).[49]

Figure 3.13: 36 month results



47. Second Regional Anesthesia & Pain Medicine Publication.
48. Third Regional Anesthesia & Pain Medicine Publication.
49. Third Regional Anesthesia & Pain Medicine Publication.

3. Company overview continued

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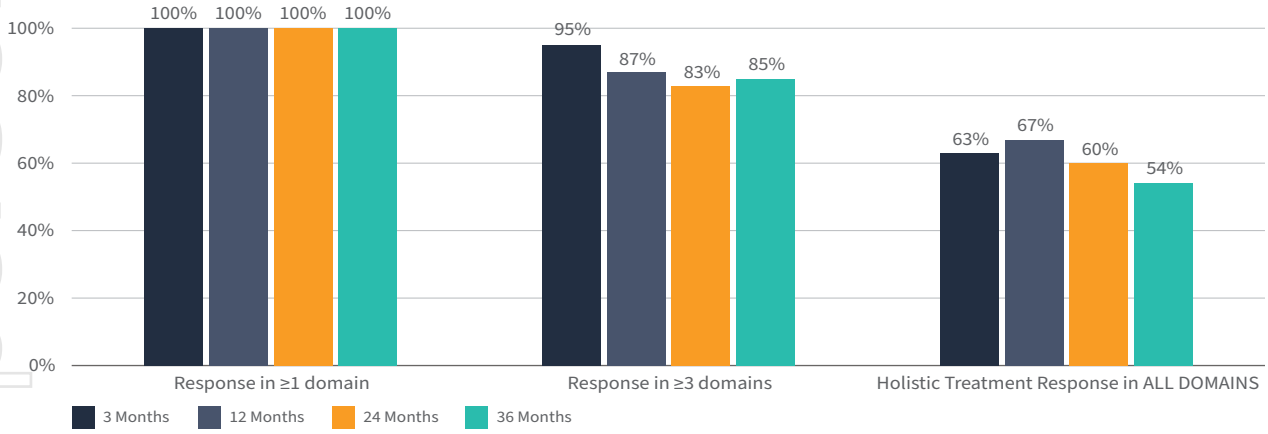
The CL-SCS arm also showed clinically meaningful patient improvements across holistic, multi-dimensional outcomes out to 36 months. The below summarises the CL-SCS arm results at 36 months. It should be noted that Saluda is a pioneer in measuring patient outcomes, in that it is the only SCS company that invested in development and validation of a composite outcome measure that better reflects the chronic pain experience, domains that may vbe more important to each individual and response to treatment.

- 83% of CL-SCS patients were pain relief responders (>50% VAS reduction);
- 59% of patients were high responders (>80% VAS reduction);
- 85% of patients received a clinically important improvement in disability (ODI>10);
- 81% of patients showed a significant improvement in quality of life (EQ-5D-5L>.074);
- 81% of patients showed an improvement in mood (POMS>10);
- 68% of patients improved sleep (PSQI>3);
- 55% of patients reduced or eliminated their opioid usage; and
- there were no explants due to loss of efficacy in the EVOKE study.[50]

The breadth and depth of a patient's holistic treatment response was consistent across all time points from three months to 36 months for the CL-SCS arm (as depicted in the image below). Through 36 months, all patients treated in the CL-SCS arm experienced improvements across one or multiple of the following impaired domains: pain relief (VAS), disability (ODI), mood (POMS), sleep (PSQI) and quality of life (EQ-5D-5L). Additionally, more than half of the CL-SCS patients were holistic treatment responders at all time points, demonstrating at least one MCID in all impaired domains.

Figure 3.14: Holistic treatment responses[51]



3.9.3 Safety results

All patients received the same IPG device and underwent the same procedure, with the only difference between arms being the stimulation mode (CL-SCS or OL-SCS). There were no meaningful differences in the safety results between the CL-SCS and OL-SCS arms, and the type, nature, frequency and severity of adverse events were similar between the arms. In total, there were 42 study-related adverse events in 28 patients (CL-SCS: 28 adverse events in 16 patients (23.9% of patients); OL-SCS: 14 adverse events in 12 patients (17.9% of patients)).[52]

The most frequently reported study-related adverse events in both arms were IPG pocket pain (ten adverse events) and lead migration (ten adverse events).[53] There were no differences between arms in SCS therapy-related adverse events, with ten adverse events in eight patients (CL-SCS: seven adverse events in five patients (7.5% of patients); OL-SCS: three adverse events in three patients (4.5% of patients).[54] There were three explants due to loss of efficacy in the OL-SCS arm and zero explants due to loss of efficacy in the CL-SCS arm during the EVOKE study.[55]

50. Second Regional Anesthesia & Pain Medicine Publication.
51. Third Regional Anesthesia & Pain Medicine Publication.
52. JAMA Publication.
53. JAMA Publication.
54. JAMA Publication.
55. Second Regional Anesthesia & Pain Medicine Publication.

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3.9.4 Health economic data from the EVOKE study

Saluda also sponsored a health economic evaluation, or cost-utility analysis, that was published in The Clinical Journal of Pain in October 2023, leveraging the results of the EVOKE study.[56] The objective of the cost-utility analysis was to develop a new economic model to estimate the cost-effectiveness of the Evoke System, or CL-SCS, compared to OL-SCS for the management of chronic back and leg pain. A decision tree followed by a Markov model was used to estimate the costs and outcomes of CL-SCS versus OL-SCS over a 15-year period from the UK National Health Service perspective. The cost-utility analysis showed that CL-SCS resulted in a lower total mean cost per patient (£83,354 versus £89,228) and generated more quality-adjusted life-years (7.19 versus 6.23) when compared to OL-SCS over a 15-year period. The cost of CL-SCS was estimated to be below the willingness to pay threshold of £30,000 per quality-adjusted life-year at one year post-implant, making it cost-effective until approximately five years post-implant, when it became the dominant (i.e., generated more quality-adjusted life-years and cost savings) treatment strategy. This analysis did not factor in cost savings for alternative conventional medical management (**CMM**), such as medications, including over-the-counter analgesics, opioids and non-steroidal anti-inflammatory drugs, and physical therapy. When factoring in cost savings for alternative CMM, CL-SCS demonstrated lower overall costs when compared to OL-SCS, showing an increase in potential cost savings from £5,873 to £14,971, and was observed to be the dominant treatment strategy within two years post-implant.

3.9.5 Neural metrics manuscripts and post-market study

Saluda has clinical research manuscripts and an ongoing Neural Panel post-market study focused on identifying the association between objective neurophysiological metrics, such as time above ECAP threshold (i.e., therapy utilisation), dose accuracy and dose ratio, and chronic pain clinical outcomes. Saluda believes these neurophysiological metrics showed a statistically significant relationship with patient outcomes and can provide the ability to standardise therapy dose and personalise treatment for patients with chronic pain.

3.9.6 Maximal Analgesic Effect Driven by Biomarker Analyses Manuscripts

In July 2024, Neuromodulation accepted Saluda's manuscript (the **MAE manuscript**), that analysed data from 180 patients treated with the Evoke System from three of its prior clinical studies to characterise the neural dosing regimen that produced a patient's maximal analgesic effect.[57] In addition, in March 2024, Regional Anesthesia & Pain Medicine published Saluda's manuscript (the **Biomarker manuscript**), that analysed data from 690 patients treated with the Evoke System to characterise the biomarker-based dose-response relationship that produced a patient's maximal analgesic effect.[58]

The MAE manuscript introduces neurophysiological metrics that provide evidence that activation of the intended target (spinal cord) can potentially produce maximum pain relief. The metrics were defined as system utilisation, percentage of time above ECAP threshold, neural dose, ECAP dose ratio and SCS therapy accuracy, and analysis compared these metrics to the maximum pain relief across the study timepoints. The mean pooled maximal analgesic effect for all subjects (n=166) was 79% pain reduction. CL-SCS therapy accuracy (i.e., in-clinic deviation from the ECAP target) was optimised at 2.8 µV. On average, patients used their system 91% of the time and stimulation was above ECAP threshold 99% of the time. The patients received an average neural dose of 29 µV and had an average dose ratio of 1.4, which means 40% above ECAP threshold. In addition, the analysis of more than 600 patients in the Biomarker manuscript showed a statistically significant relationship between percentage of time above ECAP threshold, ECAP dose ratio and dose accuracy with percent pain reduction. Patients who used their system above ECAP threshold 80% to 100% of the time showed an improvement over those using their system less than 80% of the time above ECAP threshold ($p<0.01$). Patients who ran their system with a dose ratio of 1.2 to 1.6 had improved pain reduction compared to those who ran it lower than 1.2 ($p<0.01$). Lastly, when out-of-clinic dose accuracy was less than 10 µV, patients had optimised pain reduction ($p<0.03$). To Saluda's knowledge, this is the first published evidence of closed-loop therapy association between physiological dose and pain relief.

Saluda believes these analyses provide evidence that certain, objective neurophysiological metrics are highly correlated to obtaining and maintaining therapeutic efficacy and providing better patient outcomes. Based on these results, Saluda believes that by optimising these neurophysiological metrics, with Saluda's proprietary SmartLoop technology, its Evoke System has the ability to standardise SCS therapy dose and personalise treatment for patients with chronic neuropathic pain.

In addition, the MAE manuscript demonstrated that the clinical benefit observed in the trial period was reproduced following permanent implantation when the neurophysiological metrics remained consistent. Saluda believes that the Evoke System's ability to objectively measure and respond to these neurophysiological metrics allows it to improve reliability and reproducibility from the trial period to the permanent implant phase.

56. Duarte, Rui V. PhD et al. Cost-utility Analysis of Evoke Closed-loop Spinal Cord Stimulation for Chronic Back and Leg Pain. The Clinical Journal of Pain 39(10):p 551-559, October 2023.
57. Robert M. Levy et al. Maximal Analgesic Effect Attained by the Use of Objective Neurophysiological Measurements With Closed-Loop Spinal Cord Stimulation, Neuromodulation: Technology at the Neural Interface, Volume 27, Issue 8, 2024, p:1393-1405.
58. Muller L, Pope J, Verrills P, et al First evidence of a biomarker-based dose-response relationship in chronic pain using physiological closed-loop spinal cord stimulation Regional Anesthesia & Pain Medicine 2025; 50: 345-351.

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3.9.7 SCS trial outcomes manuscript

In July 2024, Pain and Therapy published Saluda's manuscript that analysed 132 patients treated with the Evoke System from one of the Company's prior clinical studies to characterise the benefits of closed-loop, dose-control SCS as it relates to trial outcomes and predictability of long-term success.[59] Saluda compared neurophysiological and certain patient reported metrics between the day of the trial procedure, or day 0, and the end of the trial. Saluda's success criteria included enablement of closed-loop therapy, patient reported pain relief, functional improvement and willingness to proceed. The analysis measured patients who passed all success criteria on day 0, or day 0 successes, and demonstrated that day 0 successes had a 98% positive predictive value for being responsive to therapy at the end of the trial period.[60] Saluda believes these results suggest that the Evoke System's ability to objectively measure neurophysiological metrics to set a personalised, optimised dose on day 0 may enable early prediction of SCS trial responders and thus result in shorter trial periods.

3.9.8 Neural panel post-market study

As a result of the data presented in the MAE manuscript and Biomarker manuscript, Saluda has begun enrolling patients in its Neural Panel Post-Market Study, a prospective, multi-centre, single-arm study evaluating the clinical utility of neurophysiological measurements of ECAP-controlled, closed-loop SCS therapy to guide treatment of patients with chronic neuropathic pain of the trunk or limbs. The primary objective of the study is to assess the efficacy of various neurophysiological indicators, or neural panel metrics, in guiding patient therapy and characterising clinical outcomes. These neural panel metrics include the dose, utilisation and accuracy of the SCS therapy. The study will leverage learnings from its prior clinical studies to apply the knowledge of these metrics to seek to produce a maximal analgesic effect. The study, which will span six months for each patient, aims to enrol 250 patients across 25 sites in the United States.

3.9.9 Planned and ongoing clinical studies outside of chronic pain

Saluda is also exploring opportunities to leverage its platform outside of pain and has begun to conduct IDE clinical studies to evaluate the feasibility of its technology for use in activating the spinal cord to treat neurodegenerative diseases, such as movement disorders, and in nerves outside of the spinal cord including the sacral nerve. Saluda is in the early stages of exploring these potential expansion opportunities and will assess pursuing these opportunities based on the results from these studies, Saluda's assessment of market research and its business strategy.

3.10 SALES AND MARKETING; REVENUE MODEL

3.10.1 United States

Saluda markets and sells the Evoke System in the United States through a direct sales team to clinicians at hospitals and outpatient facilities that are involved in making treatment decisions for SCS patients. For most sales, a sales representative of the Company delivers product at the point of the implantation procedure at hospitals or medical facilities, and revenue is recognised upon completion of the procedure. For the remaining sales, products are shipped directly from the Company's distribution centres to hospitals, medical facilities, and distributors who order in advance of a procedure and revenue is either recognised at the point of shipment or upon the completion of the procedure.

Saluda initiated a full commercial launch of the Evoke System in the United States in July 2023, following a soft launch in December 2022. Saluda's sales team is comprised of sales representatives and clinical specialists focused on driving adoption of the Evoke System among clinicians, engaging in referral development and education, supporting implantation, and providing support with patient programming. As of 30 June 2025, Saluda had over 120 sales personnel (with 63 fully trained and the remainder undertaking training), with trained sales personnel in approximately 50 U.S. territories[61] supporting more than 250 active physicians.[62] Saluda is targeting having trained sales personnel in approximately 180 U.S. territories in total, meaning the Company presently has less than 30% of its target U.S. markets covered. As such, Saluda plans to continue to add highly qualified personnel to its commercial organisation, with a strategic mix of territory managers and clinical specialists, to drive further awareness of the Evoke System and penetration within Saluda's target physician markets.

59. Pope JE, Antony A, Petersen EA, Rosen SM, Sayed D, Hunter CW, Goree JH, Vu CM, Bhandal HS, Shumsky PM, Bromberg TA, Smith GL, Lam CM, Kalia H, Lee JM, Khurram A, Gould I, Karantonis DM, Deer TR. Identifying SCS Trial Responders Immediately After Postoperative Programming with ECAP Dose-Controlled Closed-Loop Therapy. Pain Ther. 2024 Oct;13(5):1173-1185.
60. See footnote 53.
61. A "territory" is considered by Saluda to have potential annual revenue of at least US$5 million but less than US$12 million.
62. "Active physicians" are considered by Saluda to be physicians that have performed at least one SCS implant procedure in the last three months.

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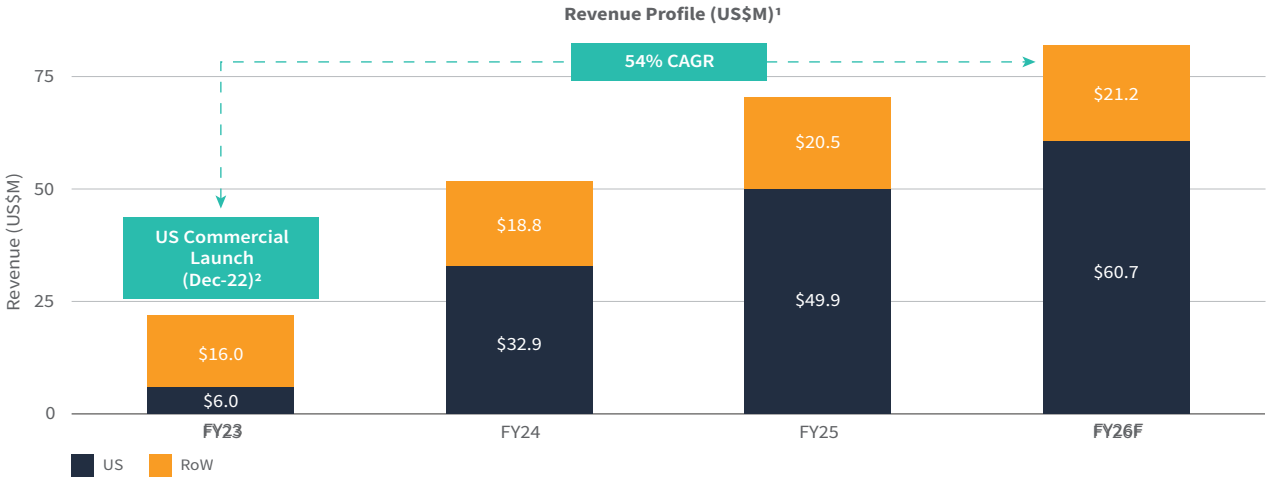
Figure 3.15: Market adoption since full U.S. launch



Notes:

1. As of 30 June YE.
2. PMA approval of the Evoke System in February 2022 and full US commercial launch in July 2023.

Saluda believes its key growth drivers in the U.S. include:

- Physicians – opportunity to service larger proportion of physician market (currently servicing approximately 3% of the approximately 7,800 physicians who performed at least one SCS trial or permanent implant over a 12 month period – see Section 2.7);
- Patient implants – the number of patients implanted in the U.S. is expected to be 2,640 in FY26, from 252 patients in FY23, a CAGR of 119%;
- Sales representatives – trained representatives are forecasted to increase by 81% from 63 to 114 over the course of FY26;
- Sales productivity – Saluda is targeting average revenues of US$1.6 million per sales representative per annum in the future, which they believe is achievable given the lower reprogramming burden on their sales team (see Section 3.4.4); and
- New product release – release of the paddle lead is expected to open a new market segment and help drive gross margin expansion.

Refer to the Management Discussion and Analysis on the Historical and Forecast Financial Information in Section 5.7 for further information.

3.10.2 Global (excluding the United States)

Saluda sells the Evoke System in Europe and Australia primarily through a direct sales team, which includes a combination of territory managers and clinical specialists. Saluda currently only uses a distributor to sell its products in Spain. While Saluda's commercial efforts are currently focused on the United States, it may expand its commercial presence in non-U.S. markets through the addition of distribution partners or new sales, marketing and clinical personnel.

3.11 THIRD-PARTY COVERAGE AND REIMBURSEMENT

3.11.1 United States

In the United States, Saluda sells the Evoke System to hospitals, ambulatory surgical centres (ASCs), physician offices and other medical facilities, which typically bill various third-party payors, including Medicare and commercial insurers, for the services provided to patients. The government agencies and commercial payors who oversee these reimbursement programs and insurance plans determine whether to provide coverage for specific services and the amount of reimbursement.

Government and commercial payors generally provide coverage for SCS based on Current Procedural Terminology (**CPT**), codes, which are set by the American Medical Association. The physicians who perform SCS procedures using the Evoke System are typically pain physicians and neurosurgeons, who are reimbursed for their services using a variety of CPT codes, including 63650 ("Percutaneous implantation of neurostimulation electrode array, epidural") and 63685 ("Insertion or replacement of spinal neurostimulator pulse generator or receiver, requiring pocket creation and connection between electrode array and pulse generator or receiver").

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CMS and other third-party payors generally require prior authorisation for SCS for patients in hospital outpatient and ASC settings, which requires physicians to describe the medical necessity for the SCS therapy. Unfavourable outcomes have an opportunity for appeal. Although the prior authorisation process can take several weeks, Saluda has established capabilities to support patients through this process and based on its commercial experience, Saluda believes such support generally results in a positive coverage determination for these patients.

SCS has been practiced for more than 20 years and has a well-established reimbursement structure under Medicare and most commercial insurance companies. Saluda believes that procedures using the Evoke System generally qualify under this structure and are covered by Medicare and all major commercial payors, providing broad patient access to its system to over 200 million people. In addition, in November 2022, CMS approved a TPT payment for the Evoke System, effective 1 January 2023 through 31 December 2025. CMS provides TPT payments for new devices that represent new technology, met a cost threshold and provide substantial clinical improvement over existing therapy. The amount of the pass-through payment is the amount that the cost of the device exceeds the Medicare-allowable amount for the device. Saluda does not expect the expiration of its TPT eligibility at the end of 2025 will have a material impact on the adoption and utilisation of the Evoke System given the existing availability of reimbursement for SCS.

3.11.2 Outside of the United States

In Europe, reimbursement is a country-specific process, and levels vary significantly by country, and by region within some countries. Reimbursement is obtained from a variety of sources, including government-sponsored and private health insurance plans, and combinations of both. Some countries will require Saluda to gather additional clinical data before granting broader coverage and reimbursement for the Evoke System. It is Saluda's intent to complete the requisite clinical studies and obtain coverage and reimbursement approval beyond what it has today in countries where it makes economic sense to do so.

In Australia, SCS implantation services are included in the Medical Benefits Scheme. The Evoke System is also included in the Prescribed List of Medical Devices and Human Tissue Products (previously called the Prostheses List) (**Prescribed List**), which specifies the minimum benefits private health insurers must pay for a listed device or product. The Australian Government's Department of Health, Disability and Ageing is currently undertaking a post-listing review of SCS stimulators in the Prescribed List in response to concerns about the comparative clinical effectiveness and cost-effectiveness of SCS. The review is presently in the stakeholder consultation stage which is expected to run through November 2025. The potential outcomes of the review and the relevant timing of releasing such outcomes is uncertain.

3.12 RESEARCH AND DEVELOPMENT

Saluda is committed to continuously investing in research and development to advance its neuromodulation platform and bring next-generation products to market. Saluda's near-term research and development activities are focused on enhancements to the Evoke System designed to further improve the patient and clinician experience and expand the market opportunity for its system. Saluda is also exploring opportunities to leverage its platform outside of pain and has begun to study the feasibility of its technology for use in activating the spinal cord to treat neurodegenerative diseases, such as movement disorders, as well as nerves outside of the spinal cord such as the sacral nerve. Saluda believes its focus and investment in research and development will allow it to continue to bring new enhancements, capabilities and products to market, allowing Saluda to innovate and diversify and maintain its competitive positioning.

Saluda has established a dedicated research and development team comprised of a team with a mix of electrical, mechanical, software, firmware and systems engineering professionals as well as data analytics and project management expertise.

3.13 MANUFACTURING AND SUPPLY

Saluda relies upon third-party suppliers for a majority of the manufacture and assembly of the Evoke System and its components, most of which are single or sole sources of the relevant product component (including the manufacturer of the Company's IPG). Outsourcing provides expertise and capacity necessary to scale up or down based on demand. Saluda selects its suppliers to ensure that its system's components are safe and effective, adhere to all applicable regulations, are high quality and meet its supply needs. Saluda inspects and verifies externally sourced components under strict processes supported by internal policies and procedures. Saluda employs a rigorous assessment, qualification, and selection process targeted to suppliers that meet the requirements of the FDA and the International Organization for Standardization and quality standards supported by internal policies and procedures. Saluda also performs periodic supplier reviews and audits against the requirements of these organisations and its own policies and procedures to ensure ongoing supplier performance.

Saluda is working to diversify and reorganise its suppliers, including adding alternative suppliers for some components, to fortify its supply chain. See Sections 9.2 and 9.3 for a summary of Saluda's key supply agreements.

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In addition, Saluda manufactures certain components of the Evoke System at its facility in Sydney, Australia. Saluda is registered with the FDA as a medical device manufacturer. Saluda is required to manufacture its products in compliance with the FDA's Quality System Regulation (**QSR**). The FDA enforces the QSR through periodic inspections and may also inspect Saluda's facilities or the facilities of its suppliers. Order quantities and lead times for components purchased from suppliers are based on Saluda's forecasts derived from historical demand and anticipated future demand. Lead times for components may vary depending on the size of the order, time required to fabricate and test the components, specific supplier requirements and current market demand for the components, sub-assemblies and materials.

3.14 INTELLECTUAL PROPERTY

Saluda has an extensive intellectual property portfolio, including patents, know-how and trade secrets. As of 1 October 2025, Saluda globally had 292 issued patents, 161 pending patent applications, 118 registered trademarks and 8 trademark applications. Saluda believes that its technical expertise and extensive intellectual property portfolio presents a significant competitive advantage.

Saluda has patents covering the Evoke System and delivery of closed-loop SCS therapy. Saluda also has patents covering the Clarity and EVA programming interfaces and methodologies, and patents directed to, among other features, the IPG operation, lead and electrode assembly, IPG design and configurations, sensing with noise and artefact reduction, and systems, processes, and user interfaces for automated programming.

Refer to the Intellectual Property Report in Section 10 for further details.

3.15 SALUDA'S GROWTH STRATEGIES

Saluda's mission is to transform the lives of patients using its novel, closed-loop, dose-control neuromodulation platform by first establishing the Evoke System as the standard of care in SCS therapy for the treatment of chronic neuropathic pain, growing the SCS market and then, over time, broadening the clinical application of its platform. The key elements of its growth strategy are:

3.15.1 Increasing awareness and driving adoption of the Evoke System

Saluda plans to continue to promote the benefits of the Evoke System through a comprehensive marketing development and education strategy. Saluda intends to continue investing in professional and clinician-led education and marketing initiatives, including use of key opinion leaders in the field, to communicate the key benefits and differentiating features of its system. Saluda also intends to build broader awareness of its system at industry conferences by highlighting the unique features of its proprietary SmartLoop dose-control technology and superior clinical outcomes. Given its differentiated capabilities, Saluda believes its system has the potential to increase the adoption of SCS therapy.

3.15.2 Expanding Saluda's commercial infrastructure in the United States

As discussed at Section 3.10, Saluda plans to expand its sales and marketing organisation by recruiting and training talented sales representatives in new and existing territories in the United States to drive further adoption of the Evoke System. Saluda is recruiting highly trained sales representatives who it believes are drawn to it given the unique features and benefits of its system versus standard SCS devices. Saluda plans to add highly qualified personnel to its commercial operations, with a strategic mix of territory managers and clinical specialists, to focus on increasing adoption and penetration among interventional spine physicians in the United States specialising in pain treatment through minimally invasive procedures. Initially, Saluda is targeting approximately 2,700 of these physicians who have performed, on average, at least one SCS procedure per month over the past year. While Saluda's immediate focus is on the United States, it will evaluate opportunities to expand into new and existing international territories in the future. Saluda is currently focused on expanding its sales teams in geographies in which it already sells to further penetrate the SCS market.

3.15.3 Continue to advance the Evoke System through new technology innovation

Saluda expects to leverage its research and development expertise and large database of neurophysiological data to develop new technologies in both software and hardware to further meet the needs of its patients and clinicians, grow adoption of the Evoke System and drive product efficiencies and higher gross margins. For example, the paddle lead system discussed at Section 3.7.1 that Saluda expects will enable it to enter the neuro and orthopaedic surgery market.

Saluda is also exploring the development of a Bluetooth enabled system communication and cloud-based software platform to allow patient physiologic data from the Evoke System to be shared by the patient with their health care professionals and caregivers in real-time, thereby providing a remote pain management platform.

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3.15.4 Drive operating leverage

Saluda's differentiated technology minimises the necessity for frequent and manual reprogramming, which frees up valuable time for both clinicians and sales representatives. This efficiency allows clinicians to see more patients and Saluda's sales representatives to reach new accounts, focus on supporting growth in existing accounts through the referral network and education of clinicians and drive additional revenue. Saluda plans to build an efficient commercial sales organisation with a clear focus on selling to new physicians and procedure support with minimal distraction from reprogramming. Saluda believes that it will realise operating leverage through its selling efficiencies as its commercial operations grow. In addition, Saluda plans to drive gross margin expansion through reduced product costs from design, process and sourcing efficiencies. Saluda also continues to invest in reducing product cost through design and process efficiencies.

3.15.5 Continue to pursue new indications in pain and beyond

Saluda intends to leverage its proprietary technology and research and development capabilities to expand into new indications and clinical use cases, both within pain and beyond, that it believes may benefit from its neuromodulation platform. Within pain, Saluda is seeking FDA approval to expand its ability to market the Evoke System specifically for other conditions, such as non-surgical back pain, complex regional pain syndrome or diabetic peripheral neuropathy. Saluda is also exploring opportunities to leverage its platform outside of pain and has begun to study the feasibility of its technology for use in activating the spinal cord to treat neurodegenerative diseases, as well as nerves outside of the spinal cord such as the sacral nerve.

3.15.6 Possible integration of Evoke System data with other comorbidity data

Saluda believes that if patients are able to access real-time data from their Evoke System (see Section 3.15.3 above) there will be the opportunity for Saluda to integrate data from the Evoke System with other comorbidity data to provide patients with holistic personalised health information.

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4. Risks

4. Risks

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4.1 INTRODUCTION

An investment in Saluda is speculative and involves a number of risks, some of which are specific to its business activities and some of which are more general in nature. This Section 4 describes some of the potential risks associated with Saluda's business, the industry in which Saluda operates and the risks associated with investing in CDIs and the Offer. The risks in this Section 4, if they eventuate, could have a significant negative effect on Saluda's business, financial position and the value of your investment.

There are also risks that are common to all investments in equity securities and which are not specific to an investment in Saluda – for example, the general volatility of share prices in Australia and overseas and risks associated with other external events which are not related to the usual course of Saluda's business, such as changes in tax regulations or accounting standards, general economic conditions, acts of terrorism, natural disasters or war.

The risks in this Section 4 should not be viewed as an exhaustive list of the risks to which Saluda and its securityholders are exposed, either now or in the future. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for CDIs.

4.2 RISKS RELATED TO SALUDA'S BUSINESS AND STRATEGY

4.2.1 Saluda has a limited operating history as a commercial company and a history of net losses

Saluda commenced commercial operations, launching the Evoke® System in select European countries in late 2019, in Australia in 2021, and in the United States in December 2022 before a full launch in July 2023. This limited operating history makes it difficult to accurately assess Saluda's prospects.

Since inception, Saluda has incurred substantial net losses and expects to continue to do so for the foreseeable future as it expands its sales force and marketing efforts to increase adoption of the Evoke System, seeks additional regulatory approvals, and develops new or enhanced products. Achieving and sustaining profitability will require substantial additional revenue to be generated, and there is no assurance that Saluda will ever do so. Failure to achieve or maintain profitability would hinder Saluda's ability to finance its operations and strategic objectives, adversely affect its business, financial condition, and results of operations. Even if profitability is achieved, it may not be sustained, which could negatively impact Saluda's ability to expand operations, maintain research and development efforts, and achieve its strategic objectives.

4.2.2 Saluda is dependent on the successful commercialisation of the Evoke System

All of Saluda's current and anticipated revenue is derived exclusively from sales of the Evoke System, Saluda's only product approved for sale in any jurisdiction. Saluda has no other products on the market, and there is no assurance that the Evoke System or any future products will achieve or sustain commercial success. The continued viability of Saluda's business depends on numerous factors, including the Evoke System's advantages over alternative treatments, the effectiveness of Saluda's marketing and sales efforts both in the United States and internationally, and the degree of adoption by clinicians and patients. If Saluda is unable to successfully market and sell the Evoke System, Saluda's business prospects will be significantly harmed.

4.2.3 Saluda has limited sales and marketing experience

Saluda has limited experience marketing and selling the Evoke System. Prior to FY24, most of Saluda's revenue was derived from sales of the Evoke System outside the United States. For FY24 and FY25, revenue from sales in the United States represented most of Saluda's revenue, and going forward, Saluda anticipates revenue generated in the United States will represent an increasingly larger portion of its revenue. To achieve anticipated growth, Saluda must significantly expand its direct sales force in the United States and internationally by adding a strategic mix of highly qualified territory managers and clinical specialists with experience selling implantable devices and supporting procedures.

Members of the direct sales force must be highly trained and possess substantial technical expertise. Identifying and recruiting qualified sales and marketing personnel and training them on Saluda's products, on applicable laws and regulations, and on internal policies and procedures requires significant time, expense and attention. It often takes several months before a territory manager or clinical specialist is fully trained and productive. If Saluda is unable to retain direct sales force personnel or replace and train them with individuals of comparable technical expertise and qualifications, it may negatively affect Saluda's ability to generate revenue growth.

Saluda also faces intense competition from several large, well-established medical device companies in recruiting and retaining qualified sales personnel. These companies have far greater resources, operating history, and brand recognition. If Saluda does hire sales personnel from competitors, such personnel may be subject to non-solicit restraints which typically last for up to 12 months thereby limiting the customer base which they can target until the relevant restraint period has concluded. Any failure to hire, develop, and retain talented territory managers and clinical specialists, or to achieve desired productivity levels in a reasonable period, could negatively affect Saluda's ability to effectively commercialise its products.

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4.2.4 Rapid organisational growth may present challenges for Saluda

Saluda has rapidly increased the size of its organisation, particularly in the United States and expects to increase it further in the future. To support anticipated future growth, Saluda must continue to expand sales, marketing, finance and accounting personnel. Managing this expansion requires recruiting, training, and integrating new employees, especially in sales and marketing. Additionally, scaling operations to meet rising demand will require Saluda to expand customer service, billing, and systems processes and enhance internal quality assurance, and compliance programs. Failure to effectively manage these growth-related challenges could result in higher costs or an inability to meet increased demand, which could harm Saluda's reputation and its operating results.

Notwithstanding Saluda's rapid expansion, the Company also intends to reduce operating expenses, including by undertaking a targeted workforce reduction outside of its commercial organisation in the U.S. and other jurisdictions. Any such action carries risks of compliance with local laws, potential claims and legal action by employees, potential damage to workplace morale, and negative impacts on the Company's reputation which may also affect the Company's ability to add to its workforce in areas where the Company intends to expand (e.g. its sales force).

4.2.5 Saluda depends on third-party contract manufacturers and suppliers, most of which are single source

Saluda depends on third-party contract manufacturers and suppliers, most of which are single source, to produce and package many elements comprising the Evoke System. These contracts are summarised at Sections 9.2 and 9.3 of this Prospectus. If Saluda's relationship with any of its single-source suppliers terminates in the future, Saluda may have difficulty maintaining sufficient production of its products at the standards they require. Saluda is executing on a strategy to diversify and reorganise its suppliers, including adding alternate suppliers for some of its components and entering into supply agreements to fortify its supply chain. Saluda therefore aims to strategically maintain sufficient levels of inventory to help mitigate supply disruption, to accommodate varying demand mix and to achieve more efficient volume-based pricing on components, but this also subjects Saluda to the risk of inventory obsolescence and expiration. It may take a significant amount of time and resources, including costs, to establish alternative sources of supply for all components of Saluda's products and to have any such new source approved by the FDA or certified by a comparable regulatory authority.

Some of Saluda's suppliers are also located in politically sensitive regions, such as China, exposing Saluda to the possibility of product supply disruption and increased costs in the event of changes in government policies (including in the case of China, due to tensions between the United States and China), political unrest, unstable economic conditions, unfavourable trade and tariffs or regulatory restrictions or rising costs of labour.

Any failure by Saluda's suppliers and manufacturers to supply the Evoke System or its components or subcomponents in sufficient quantities, at acceptable prices or at all, could result in lost revenue, reputational harm and increased costs.

4.2.6 The loss or reduction of third-party reimbursement for the Evoke System may impact commercialisation

Saluda's ability to successfully sell its products depends, in significant part, on the availability of adequate financial coverage and reimbursement for the healthcare procedures required to implant neurostimulator systems from third-party payors, including governmental payors (such as the Medicare program in the United States), managed care organisations and private health insurers.

In the United States, most of Saluda's current customers are reimbursed by third-party payors for the procedures that are required to implant Saluda's neurostimulator systems for SCS indications. Medicare presently reimburses those procedures performed on patients who meet certain clinical criteria (such as failure of previous interventions, multi-disciplinary evaluation (including psychological evaluation), and demonstrated relief with a temporarily implanted electrode during a trial period). Most commercial health insurance carriers also provide coverage and reimbursement for the SCS procedures. However, no uniform policy of coverage and reimbursement for procedures using the Evoke System exists among commercial third-party payors. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement rates but also have their own methods and approval process apart from Medicare determinations. Therefore, coverage and reimbursement can differ significantly from payor to payor. Payors also routinely re-evaluate technologies and, without notice, can deny, restrict or withdraw coverage, impose additional prior-authorisation hurdles, or demand further clinical or economic evidence. Any such action would reduce procedure volumes and market acceptance of Saluda's products.

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In the United States, CMS also granted a Transitional Pass-through Payment, or TPT, under the Medicare program for the Evoke System when used in the hospital outpatient or ASC setting, effective 1 January 2023 through 31 December 2025. Whilst Saluda does not expect the expiration of the TPT eligibility will have a material impact on the adoption and utilisation of the Evoke System, once that incremental payment ceases, providers will need to rely on standard Medicare payments that may not fully offset their costs, which could reduce certain providers' incentive to use the Evoke System.

Outside of the United States, payment levels vary significantly by country and by patient. To date, Saluda has established market access in Australia and in certain countries across Europe. However, in Australia, uncertainties regarding future healthcare policy, legislation and regulation of SCS, which could affect Saluda's ability to sell its products in commercially acceptable quantities at acceptable prices, or at all. Presently, the Department of Health, Disability and Ageing is currently undertaking a post-listing review of SCS stimulators in the Prescribed List in response to concerns about the comparative clinical effectiveness and cost-effectiveness of SCS, and Private Health Australia, a body representing health insurers in Australia, has called for the removal of all SCS devices from the Medical Benefits Scheme and Prescribed List, citing data from private insurers on unplanned revision surgery rates and high costs to insurers of SCS devices. If the third-party coverage of Saluda's products was reduced or removed in Australia, it would materially and adversely affect Saluda's business in Australia.

4.2.7 Saluda faces significant competition in the SCS field

The medical device sector, particularly the SCS field is characterised by rapid technological change, frequent new product introductions and vigorous competitive activity, all of which heighten the risk that Saluda may not achieve or maintain meaningful market penetration. Saluda directly competes with large, well-capitalised competitors in the SCS field, such as Abbott Laboratories, Boston Scientific Corporation, Medtronic plc, or Medtronic, Nevro Corp. (a subsidiary of Globus Medical, Inc.), and Biotronik, Inc. These companies have several advantages as a result of their scale and maturity, including greater brand recognition, larger volumes of clinical data, better ability to anticipate customer demand, more sales force experience and greater market access. They also tend to provide more comprehensive product support, innovate more rapidly, rely on entrenched customer contracts, employ aggressive pricing and revenue strategies, attract and retain key personnel more readily, and field stronger reimbursement and clinical training teams. Many further leverage broader product portfolios that enable bundling, rebates or other incentives that can erode Saluda's competitive position.

Saluda's competition also extends to pharmaceutical companies offering chronic-pain drugs and manufacturers of pain pumps, radiofrequency ablation systems and peripheral neurostimulation devices. Any alternative therapy perceived as more accurate, reliable or cost-effective than the Evoke System could significantly diminish demand for Saluda's products and adversely affect Saluda's operating results.

4.2.8 The Evoke System's success will depend upon attaining significant market acceptance of SCS therapy among hospitals, ASCs, clinicians, patients and payors

The commercial success of the Evoke System depends on the acceptance of SCS therapy as safe and effective for its approved or certified uses and, with respect to providers (hospitals and ASCs) and payors, cost-effective. Clinicians in particular, play a significant role in determining the course of a patient's treatment and the type of treatment that will be provided to a patient. As a result, Saluda's success depends, in large part, on their acceptance of SCS therapy and then persuading them that the Evoke System is safer, more effective and more economical than open-loop SCS devices and other pain-management alternatives.

To date, a substantial portion of Saluda's sales has come from a small group of early-adopting customers. Additional clinicians may refuse to recommend or implant the Evoke System for numerous reasons, including limited familiarity with SCS, perceived insufficiency of clinical or economic evidence, safety concerns related to implantation, liability exposure, training burdens, inadequate customer support, competing products, and the availability of third-party payor coverage or adequate reimbursement. If Saluda fails to expand market awareness and acceptance, the adoption of the Evoke System may stall and adversely affect operating results.

Patients, in turn, may decline the Evoke Systems if they fear surgical complications such as infection, discomfort or myasthenia (a condition that results in abnormal weakness in certain muscles), question its comparative efficacy or cost, or cannot secure insurance coverage. Adverse media reports or governmental scrutiny can further dampen demand. For example, Saluda believes that critical press coverage of SCS by an Australian journalist and a post-market review of SCS devices by the TGA in Australia may have contributed to a decrease in the overall SCS market including Saluda's Australian revenue in FY25. Social-media postings or other negative commentary from dissatisfied users could also harm Saluda's reputation or erode confidence in the Evoke System, which may then limit the market acceptance of the Evoke System.

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4.2.9 Saluda's growth relies on enhancing the Evoke System, broadening its indications and successfully introducing additional products

Saluda's long-term growth relies on its ability to enhance the Evoke System and expand its approved indications and develop and commercialise additional products. Saluda has initiated and plans to continue to initiate additional clinical studies to support potential indication expansion and enhancement of the Evoke System. Developing products and seeking to expand product indications is expensive and time-consuming and could divert management's attention away from Saluda's core business. The timing and success of any new product offering, product enhancements or indication expansion will depend on several factors, including Saluda's capacity to marshal adequate capital and other resources, design and enrol clinical studies that demonstrate safety, efficacy and clinical benefit, and obtain timely regulatory approvals, marketing authorisations or certifications for each new or modified device.

If Saluda is not successful in developing, obtaining regulatory approval for and commercialising new products and product enhancements and expanding indications as the Company anticipates, Saluda's ability to implement its growth strategies, achieve its growth plans and increase its revenue may be impaired.

4.2.10 Saluda may not be able to achieve or maintain satisfactory pricing and margins for its products

Manufacturers of medical devices have a history of price competition, and Saluda cannot give any assurance that it will be able to achieve satisfactory prices for its products or maintain prices at the levels they have historically achieved. Key factors which influence pricing and margins include:

- reimbursement – any decline in the amount that payors reimburse customers for the Evoke System could make it difficult for customers to continue using, or to adopt, Saluda's products and could create additional pricing pressure for Saluda.
- "most-favoured nation" provisions – certain of Saluda's current customer contracts require Saluda to offer the lowest prices at which Saluda makes its products available to similarly situated customers.
- inflation – inflation has resulted in, and may continue to result in, higher shipping costs, supply shortages, increased costs of labour and other similar effects, which may not be able to be passed on to customers.
- competitive pressures – competitors in the SCS field or pharmaceutical companies may offer less expensive solutions or be able to bundle products to provide greater discounts, which could affect the competitiveness of the Evoke System, or require Saluda to lower its prices to compete.

If Saluda is forced to lower its prices without a corresponding reduction in costs, Saluda's gross margin on products will decrease. This would impact Saluda's ability to invest in product development and commercial growth will be impaired.

4.2.11 Saluda relies on its own direct sales force for its products, which may result in higher fixed costs than its competitors

Saluda relies on its own direct sales force to market and sell the Evoke System. A direct sales force may subject Saluda to higher fixed costs than those of companies that market competing products through independent third parties, due to the costs that Saluda bears in respect of employee benefits, training and managing sales personnel. Additionally, these fixed costs may slow Saluda's ability to reduce costs if there was a sudden decline in demand for the Evoke System.

4.2.12 Saluda is dependent on its senior management team and its ability to attract and retain highly skilled employees

Saluda depends on the continued service of its senior management team, including its recently hired Chief Executive Officer. Although Saluda has entered into employment agreements with all of its executives, each executive may resign at any time, and Saluda does not presently maintain "key person" insurance to mitigate the potential impact of such departures. Replacing any executive or other critical employee would likely require significant time and expense and could delay or hinder the achievement of Saluda strategic objectives.

Saluda's research and development and clinical programs also rely on Saluda's capacity to attract and retain highly skilled engineers and medical researchers. However, Saluda faces persistent difficulty competing for such talent against larger medical device, life-science and technology companies that possess greater resources, longer operating histories and more varied career opportunities.

If Saluda is unable to continue to attract and retain high-quality personnel, or motivate its current personnel, the rate and success at which Saluda can discover, develop and commercialise its current and future products will be limited.

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4.2.13 Implantation of the Evoke System and use of SCS therapy may result in complications and adverse safety events

The Evoke System requires surgery to implant the IPG and accompanying leads under the skin of the torso, typically between the ribs and the pelvis. As with any surgical procedure, there are risks involved in implanting the Evoke System that may arise due to the body's reaction to the procedure or the device, exposure to pathogens during surgery or the quality of the surgical procedure. Improper implantation and lack of adequate physician experience or training with Saluda's products could lead to higher rates of complications or adverse events.

The most commonly observed, non-procedure- and non-study-related, adverse events (i.e., >10%) in the EVOKE study were slip or fall incidents and upper respiratory systems/upper respiratory tract infection. The most common study-related adverse events reported were lead migration and IPG pocket pain. Other adverse events that may occur relating to the use of the Evoke System are malfunctions due to electrocautery (IPG damaged by electrocautery during implantation), unwanted stimulation location (stimulation in areas outside of the pain locations when in open-loop mode) or lead breakage/fracture (breaking/fracturing of the leads potentially due to repetitive movements, stretching or trauma during implantation), all of which would cause the Evoke System to fail to provide appropriate SCS therapy.

The FDA and foreign regulatory bodies have the authority to require the recall of commercialised products in the event of material deficiencies or defects in design or manufacture of a product or if a product poses an unacceptable risk to health. Saluda could also choose to voluntarily recall a product if any material deficiency is found, or if the FDA (or another regulatory body) recommends a removal of a product from the market. Any product recalls or any safety or customer satisfaction issues relating to Saluda could negatively affect its ability to establish or maintain broad adoption of its products, which would harm its future prospects and have an adverse effect on its business. Moreover, serious complications as a result of SCS therapy, and any increase in the rate of complications in or outside of clinical studies, could cause clinicians, hospitals, ASCs and patients to limit adoption of the Evoke System. In this event, Saluda could become subject to costly litigation, require Saluda to pay substantial damages to patients, negatively impact Saluda's ability to receive or maintain regulatory approval, or require Saluda to suspend or abandon commercialisation, any of which would significantly harm Saluda's business.

4.2.14 Any quality shortfalls in the Evoke System may damage Saluda's reputation and financial performance

Saluda must adequately address any quality issues that may arise with the Evoke System, including any defects in third-party components. Although Saluda has established internal procedures designed to minimise risks that may arise from quality issues, there can be no assurance that Saluda will be able to eliminate or mitigate occurrences of these issues and associated liabilities. In addition, even in the absence of quality issues, Saluda may be subject to claims and liability if the performance of the Evoke System does not meet the expectations of clinicians or patients as a result of the patient's use of the product. For example, battery life will vary based on usage and therapy settings. The battery life of the Evoke System is expected to last more than ten years when used at moderate settings, but it may not last that long if a patient's use of the device or chosen level of stimulation is greater than expected, and the Evoke System may otherwise stop working due to battery failure, a broken wire or failure of a component in the implant. If the quality of the Evoke System does not meet the expectations of clinicians or patients, then Saluda's brand and reputation with those clinicians or patients could be adversely affected.

4.2.15 Saluda's access to certain healthcare facilities relies on a contracting or bidding process

In the U.S, clinicians' ability to use Saluda's products generally depends on Saluda successfully negotiating purchasing contracts with the healthcare facilities where they practice. This contracting process is often lengthy, requires extensive negotiations, and demands significant management time, which can delay and extend Saluda's sales cycle. In the European Union, certain institutions will require the Company to engage in a contract bidding process if such institutions are considering making purchase commitments that exceed specified cost thresholds, which vary by jurisdiction. If Saluda is unable to obtain access to healthcare facilities through these contracting or bidding processes or otherwise, Saluda's sales may stall or decline, and its operating results may suffer. Furthermore, Saluda may expend significant effort in these time-consuming processes and still may not obtain a purchase contract from such facilities.

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4.2.16 The clinical evaluation process required to obtain regulatory approvals or certifications is lengthy and expensive with uncertain outcomes

Clinical studies are necessary to support new PMAs and may be necessary to support PMA supplements for modified versions of Saluda's marketed products. Conducting clinical studies is a complex and expensive process, can take many years, and outcomes are inherently uncertain. Saluda incurs substantial expense for, and devotes significant time to, clinical studies but cannot be certain that the studies will ever result in a successful product or label expansion and, ultimately, commercial revenue. Any of Saluda's products may malfunction or may produce undesirable adverse effects that could cause the Company or regulatory authorities to interrupt, delay or halt clinical studies. Saluda, the FDA or another regulatory authority may suspend or terminate clinical studies at any time to avoid exposing study participants to unacceptable health risks.

Successful results of prior clinical studies are not necessarily indicative of future clinical study results. In addition, preclinical and clinical data are often susceptible to various interpretations and analyses, and many companies that have believed their products performed satisfactorily in preclinical studies and earlier clinical studies have nonetheless failed to replicate results in later clinical studies. Products in later stages of clinical studies may fail to show the desired safety and efficacy despite having progressed through nonclinical studies and earlier clinical studies. Failure can occur at any stage of clinical testing. Similarly, the FDA or other regulatory bodies may disagree with the Company's interpretation of the data from its pre-clinical studies and clinical studies, or may find the clinical study design, conduct or results inadequate to prove safety or efficacy, and may require the Company to pursue additional pre-clinical studies or clinical studies, which could further delay the marketing authorisation or certification of Saluda's products.

4.2.17 The sizes of the markets for Saluda's current and future products have not been established with precision and may be smaller than expected

Saluda's estimates of the annual total addressable markets for the Evoke System are based on a number of internal estimates, third-party reports, publicly available information, including information from other SCS companies, and including estimates of the number of patients with chronic pain who can potentially benefit from, and qualify for, SCS therapy each year and the assumed prices at which Saluda can sell its products. Further, Saluda's estimates regarding the total addressable markets for new indications depend on, among other things, the success of clinical studies and obtaining clearance, regulatory approval or certification, and there can be no assurance that current or future products will be cleared, approved or certified for the indications that Saluda may target.

If any such regulatory clearance, approval or certification is not obtained, or if the indications for which regulatory clearance, approval or certification is obtained are narrower or different than the indications Saluda may target, the total addressable market could be smaller than Saluda estimates.

4.2.18 Off-label or improper use of the Evoke System could injure patients and expose Saluda to significant product-liability and regulatory consequences

The Evoke System is approved in the United States, Europe and Australia for a specific indication and any use outside this indication lacks regulatory authorisation. If clinicians expand the patient population in which they elect to use Saluda's products such that it is outside of the intended use that has been approved by the FDA or other comparable foreign regulatory authorities or certified by notified bodies, then such use, misuse or off-label use of Saluda's products may result in outcomes and adverse events which could potentially lead to product liability claims or litigation by customers. Any such claims, regardless of merit or outcome, would be costly to defend, could divert management attention, and may tarnish Saluda's reputation.

Saluda cannot guarantee that every clinician receives or follows its training and cannot fully prevent off-label promotion by third parties. If the FDA, foreign regulatory authorities or notified bodies conclude that Saluda's marketing, training materials or sales activities encourage off-label use, they may require corrective actions or impose enforcement measures ranging from untitled letters to injunctions, seizures, civil fines, criminal penalties and exclusion from government healthcare programs.

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4.2.19 Saluda depends on the maintenance and enforcement of its intellectual property rights

Saluda's success and ability to compete depends in large part on its ability to obtain, maintain and enforce issued patents, trademarks and other intellectual property rights and proprietary technology in the United States and elsewhere. Saluda currently relies on a combination of contractual provisions, confidentiality agreements and procedures, patents, trademark, trade secret and other intellectual property rights to protect the proprietary aspects of its products, product candidates, brands, technologies, trade secrets, know-how and data. These legal measures afford only limited protection, and competitors or others may gain access to or use Saluda's intellectual property rights and proprietary information or design around them. Saluda's success will depend, in part, on preserving its trade secrets, maintaining the security of its data and know-how and obtaining, maintaining and enforcing other intellectual property rights that are broad enough to prevent others from creating similar products to their own.

Saluda also requires its employees, consultants and contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to the Company, and any employees, consultants, advisors and any third parties who have access to its proprietary know-how, information, or technology to enter into confidentiality agreements. However, Saluda cannot guarantee that its agreements with such parties will be upheld in the face of a potential challenge, or that they will not be breached, for which Saluda may not have an adequate remedy. Furthermore, individuals executing agreements with Saluda may have preexisting or competing obligations to a third party, such as an academic institution, and thus an agreement with the Company may be ineffective in perfecting ownership of inventions developed by that individual.

Saluda also seeks to protect its proprietary position by filing patent applications in the United States and other countries related to the Evoke System, product candidates, proprietary technologies and their uses. There can be no assurance that any of the pending patent applications listed in the IP Schedule in Section 10 will result in the issuance of a patent, or that the scope of protection provided by any patent that is granted will be identical to the scope of the application as originally filed.

If Saluda cannot adequately obtain, maintain and enforce its intellectual property rights and proprietary technology, or if such rights are not broad enough, competitors may be able to use Saluda's technologies or the goodwill Saluda has acquired in the marketplace and erode or negate any competitive advantage Saluda may have and its ability to compete, which could harm its business and ability to achieve profitability and/or cause Saluda to incur significant expenses.

4.2.20 Saluda may be subject to third party intellectual property disputes

Saluda's ability to develop, manufacture and market the Evoke System and other current or future products depends on avoiding infringement, misappropriation or other violations of third-party patents, trademarks, trade secrets and related rights. Third parties may in the future allege or initiate legal proceedings, in the United States or in another country, alleging that Saluda is infringing, misappropriating or otherwise violating their intellectual property rights. Such disputes are common in the medical-device sector, which is marked by aggressive intellectual-property litigation used for competitive advantage. Any claim could target not only Saluda's proprietary technologies but also vendor-supplied components whose intellectual-property status is beyond Saluda's direct control, and vendors may decline to indemnify Saluda for resulting liabilities. Defending these matters can demand significant financial expenditures, divert management attention, damage Saluda's brand and potentially require substantial settlements or royalty payments.

Given the vast number of patents in the SCS field, Saluda cannot be certain or guarantee that it does not infringe existing third-party patents or that it will not infringe third-party patent applications that may be granted or issued in the future. Further, as patent applications are confidential for a period after filing, Saluda also cannot be certain that they were the first to file any patent application related to its products and it is possible that they have failed to identify relevant third-party patents or applications. It is difficult for industry participants, including Saluda, to identify all third-party patent rights that may be relevant to its products because patent searching is imperfect due to differences in terminology among patents, incomplete databases and the difficulty in assessing the meaning of patent claims as they relate to Saluda's products. If Saluda is unable to secure and maintain freedom to operate, this could preclude Saluda from commercialising the Evoke System or other product candidates.

4.2.21 Saluda may need to initiate litigation to protect its intellectual property

Third parties, including Saluda's competitors, may currently, or in the future, infringe, misappropriate or otherwise violate Saluda's issued patents or other intellectual property rights, and Saluda may file lawsuits, infringement claims or initiate other proceedings to protect or enforce its patents or other intellectual property rights, which could be expensive, time consuming and unsuccessful. Saluda may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of Saluda's competitors or other third parties may be able to sustain the costs of such litigation or proceedings more effectively than Saluda can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on Saluda's business.

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4.2.22 Saluda's patents may not provide adequate proprietary protection or competitive advantages

Though an issued patent is presumed valid and enforceable, its issuance is not conclusive as to its validity or its enforceability and it may not provide Saluda with adequate proprietary protection or competitive advantages against competitors with similar products or services. Issued patents may be challenged, deemed unenforceable, invalidated, narrowed or circumvented. Additionally, it is possible that defects of form in the preparation or filing of Saluda's patents or patent applications may exist, or may arise in the future, for example, with respect to proper priority claims, inventorship, claim scope, or requests for patent term adjustments. If there are material defects in the form, preparation, prosecution, or enforcement of Saluda's patents or patent applications, such patents may be invalid and/or unenforceable, and such applications may never result in valid, enforceable patents, which could impair Saluda's ability to prevent competition from third parties.

4.2.23 Cyber-attacks or other IT failures could compromise confidential data, disrupt clinical and business operations

Saluda collects, processes, stores and transmits sensitive and confidential data, including financial information, insurance information, intellectual property, proprietary business information, preclinical and clinical trial data, protected health information and personal information of Saluda's employees and contractors, or collectively, **Confidential Information**. Saluda also relies on third-party service providers to do the same, and they may share sensitive information with them in conjunction with the business. Saluda relies extensively on information technology systems, networks, and services, including internet sites, data hosting and processing facilities and tools, physical security systems and other hardware, software and technical applications and platforms, some of which are managed, hosted, provided or used by third-party service providers. While Saluda has implemented policies and procedures designed to ensure compliance with applicable data security and privacy-related laws and regulations and have taken measures designed to protect Confidential Information from unauthorised access or disclosure, Saluda's information technology systems, and those of its technology partners and third-party service providers, may be vulnerable to attack, damage and interruption from computer viruses and malware (e.g. ransomware), misconfigurations, "bugs" or other vulnerabilities, malicious code, natural disasters, terrorism, war, malfunctions, telecommunication and electrical failures, hacking, cyberattacks, online and offline fraud, phishing attacks and other social engineering schemes, employee theft or misuse, human error, fraud, denial or degradation of service attacks and similar threats from sophisticated nation-state and nation-state-supported actors.

If Saluda or its third-party providers were to experience a significant cybersecurity breach of their information technology systems or data, the costs associated with the investigation, remediation and potential notification of the breach to counterparties, regulators and data subjects could be material and expose Saluda to further liability. For example, the loss of clinical trial data from completed or ongoing clinical trials could result in delays in any regulatory approval or clearance efforts and significantly increase Saluda's costs to recover or reproduce the data and subsequently commercialise the product.

Although Saluda maintains general liability and cybersecurity insurance, coverage may be unavailable, subject to denial, or insufficient to cover large claims, and future premiums or deductibles could rise significantly. Saluda's reliance on third-party vendors further amplifies risk, as it has limited visibility into, and control over, their security practices. Any inadequacy in their safeguards could similarly expose Saluda to data loss, operational disruption, liability and reputational injury.

4.2.24 Saluda may not accurately forecast customer demand for its products

To ensure adequate inventory supply, Saluda must forecast inventory needs and direct its contract manufacturers to manufacture its products based on estimates of future demand for Saluda's products. Saluda's ability to accurately forecast product demand could be negatively affected by many factors, including, but not limited to, a failure to accurately manage the Company's expansion strategy, product introductions by competitors, shifts in customer demand, unanticipated delays in regulatory approvals of new products, unanticipated changes in general market conditions or regulatory matters and weakening of economic conditions or consumer confidence. If Saluda underestimates customer demand for its products, it may not be able to obtain additional supplies of raw materials, sub-assemblies or components from suppliers and additional manufacturing capacity may not be available when required on terms that are acceptable to the Company, or at all, any of which could prevent its contract manufacturers from delivering products to meet customer requirements, and this could damage to Saluda's reputation and customer relationships. Conversely, the Company is required to provide its contract manufacturers with a 12-month forecast on a periodic basis. The Company raises purchase orders with its contract manufacturers in accordance with the terms of the respective supply agreements. If Saluda overestimates demand, or if demand decreases, it would be required to purchase systems that it may be unable to sell, which could negatively affect the Company's results of operations.

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4.2.25 Saluda may require substantial additional capital beyond the Offer proceeds to fund future operations

Saluda expects capital expenditures and operating expenses to increase over the next several years as the Company continues to operate its business and make significant investments in its sales and marketing organisation by increasing the number of territory managers and expanding marketing programs to help facilitate further adoption and broaden awareness of the Company's products. The Company also expects to continue to make investments in research and development, regulatory affairs, and clinical studies to develop future generations of its products, support regulatory submissions and demonstrate the clinical efficacy of its products. Saluda also anticipate higher costs related to listed-company obligations.

Although Saluda believes the net proceeds of this Offer together with existing cash and the undrawn second tranche of the Perceptive Term Loan, but excluding the undrawn third tranche of the Perceptive Term Loan, will satisfy its operating and capital needs through to approximately the beginning of FY28, circumstances may change (some of which may be beyond its control) thereby causing the Company to consume capital faster than currently anticipated and requiring the Company to seek additional funds sooner than expected. Saluda's future funding requirements will depend on factors such as the cost and timing of expanding sales, marketing and distribution capabilities and the trajectory of the Company's revenue growth.

If Saluda raises additional funds by issuing equity securities, the interests held in the Company by Shareholders and CDI Holders will be diluted. Additional debt financing, if available, may involve further covenants restricting Saluda's operations or its ability to incur additional debt. Saluda cannot guarantee the future availability of funds or that the funds will be available on terms that are favourable to it. If Saluda requires additional funding and is unable to raise these funds, it could delay product development, clinical studies and commercialisation activities.

4.2.26 Saluda's indebtedness may limit its flexibility in operating its business

Saluda has a senior secured delayed draw term loan facility for up to US$125 million with Perceptive Credit Holdings IV, LP, of which US$75.0 million is currently outstanding (**Perceptive Term Loan**). Two additional tranches of US$25 million each are not yet drawn but are available through to 30 June 2026 and 31 December 2026 respectively, if certain conditions are met. Upon completion of the Offer, Saluda expects to be able to draw down on the first of the two tranches, but there is no guarantee that Saluda will be able to draw down on the third tranche (refer to Section 9.4 for a summary of the Perceptive Term Loan).

Saluda's ability to service its existing indebtedness under the Perceptive Term Loan and fund its other liquidity needs depends on generating sufficient cash flow from operations or obtaining additional financing. If Saluda is required to use cash from operations or the proceeds of any future financing to service its indebtedness instead of funding working capital, capital expenditures or other general corporate purposes, Saluda may be less able to plan for, or react to, changes in its business, the industry and in the economy generally. This may place Saluda at a competitive disadvantage compared to those of its competitors with less indebtedness.

As is common in debt facilities, the Perceptive Term Loan subjects Saluda to certain restrictive covenants which may limit its ability to engage in certain transactions (e.g. incurring additional indebtedness). The Perceptive Term Loan also contains a minimum revenue covenant, which increases on a quarterly basis through maturity of the Perceptive Term Loan, and a minimum liquidity covenant. Although Saluda has not previously breached these or any other covenants, future compliance may be affected by circumstances beyond its control, and any breach could permit the lender to declare an event of default and accelerate all outstanding amounts, which would materially adversely affect Saluda's business, financial condition and results of operations.

4.2.27 Saluda may be impacted by changes in foreign currency exchange rates

Saluda's reporting currency is the U.S. dollar, but a proportion of its sales and expenses are outside of the United States. This exposes Saluda to foreign currency risks, including changes in currency exchange rates. Saluda does not currently engage in any hedging transactions with respect to the hedging of currencies but may seek to do so in the future. Significant foreign exchange fluctuations resulting in a decline in the respective local currency may decrease the value of Saluda's assets, as well as decrease its revenues and earnings from its non-U.S. subsidiaries.

4.2.28 Saluda may be subject to litigation in the future

Saluda has been in the past, and may in the future become, subject to litigation and various legal proceedings – not only in relation to intellectual property matters as discussed above in Section 4.2.21, but also litigation and proceedings related to data protection and privacy (see Section 4.3.6), product liability (see Section 4.3.1) and compliance with healthcare laws and regulations (see Sections 4.3.3 and 4.3.4), as well as stockholder suits, class action lawsuits, actions from former employees and other matters, any of which may involve claims for substantial amounts of money or for other relief or that might necessitate changes to Saluda's business or operations.

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4.2.29 Saluda may not be able to use accumulated tax losses or certain other tax attributes to offset taxable income

Saluda has significant Australian accumulated tax losses to offset future income and a non-refundable research and development tax offset to reduce future tax liabilities. Saluda's ability to access these in the future depends on meeting the requirements of either the "Continuity of Ownership Test" (**COT**) or the "Business Continuity Test" (**BCT**) under Australian taxation laws. A failure to demonstrate continuous 50% ownership, including as a result of this Offer or other historical or future security transfers, could cause a COT failure, while any expansion into other business activities could cause a BCT failure. To date, Saluda has not completed an analysis to determine if they meet the requirements of either test. As a result, the Company may not be able to utilise its Australian accumulated tax losses to offset future income or its Australian non-refundable research and development tax offset to reduce future tax liability.

In the United States, the Company also has U.S. federal and state net operating loss (**NOL**) carryforwards. The U.S. federal NOLs may be carried forward indefinitely, but the deductibility of such NOLs generally is limited to 80% of taxable income in each taxable year. In addition, the Company's ability to use these U.S. federal NOLs may be limited if there is an "ownership change" under Section 382 of the Code – generally a cumulative shift of more than 50 percentage points in the equity held by 5% shareholders within a rolling three-year period. Different rules may apply with respect to the state NOL carryforwards. The Company has not yet completed an analysis to determine whether the Company has experienced (or will experience as a result of the Offer and prior transactions) such an ownership change. Saluda could also experience ownership changes in the future due to shifts in stock ownership, some of which may be outside of the Company's control. If an ownership change occurs in the future, the Company's ability to use its NOL carryforwards may be limited under Section 382 of the Code, which may harm the Company's future business, financial condition, results of operations and cash flows by effectively increasing its future tax obligations.

4.2.30 Saluda may be exposed to costs, expenses, penalties and fees relating to the collection of sales tax and payment of income taxes

Saluda's business activities in the United States are subject to various state tax laws and regulations, including potential requirements to collect and remit sales tax from sales within those states, and the payment of income taxes on revenue generated from activities in those states. Sales of tangible personal property are generally subject to sales tax, unless a state specific exemption applies. Sales of medical devices may be exempt in some states if prescribed by a licenced provider. Additionally, states vary in definitions and taxability of prosthetic devices. In addition, sales to certain customers may be exempt from sales tax. Saluda has undertaken a review with its tax advisers of its historic assessment of tax exemptions by state and by customer and the payment of sales tax and has identified a potential exposure to unpaid sales taxes estimated to be approximately US$1 to 3 million. Depending on the outcome of Saluda's interaction with the state tax authorities where sales tax is expected to be owing, Saluda may be subject interest, penalty charges and other costs which could increase this exposure.

4.2.31 Tax authorities may challenge Saluda's structure and transfer pricing arrangements

Saluda is a multinational company subject to tax in various tax jurisdictions. Significant judgment is required in determining Saluda's worldwide provision for income taxes and its intra-group transfer pricing arrangements. Tax authorities, including the ATO and IRS, may challenge Saluda's current transfer pricing arrangements, or any transfer pricing arrangements it enters into in the future, through an audit or lawsuit.

Saluda has engaged their external tax adviser, KPMG to prepare a transfer pricing model for the 2024 income year. Notwithstanding the KPMG transfer pricing report, use of intellectual property by an offshore related party is an area that increases the risk of an ATO challenge. Responding to or defending against such a challenge could be expensive and consume time and other resources and divert management's time and focus from operating Saluda's business. Saluda cannot predict whether tax authorities will conduct an audit or file a lawsuit challenging Saluda's structure, the cost of responding to any such audit or lawsuit, or the outcome of any such audit or lawsuit. Saluda may be required to pay taxes for prior periods, interest, fines or penalties, and may be obligated to pay increased taxes in the future, all of which may harm Saluda's business, financial condition, results of operations and cash flows.

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4.3 RISKS RELATED TO THE INDUSTRY

4.3.1 Saluda operates in an industry susceptible to significant product liability claims

If patients sustain injury or death in connection with their condition or treatment, Saluda, along with others, may be sued and whether or not they are ultimately determined to be liable, Saluda may incur significant legal expenses. These claims may be brought by individuals seeking relief on their own behalf or purporting to represent a class. Saluda may also be subject to claims if its products are defectively designed, manufactured or labelled, or contain defective components, even if the apparent injury is due to the actions of others or the pre-existing health of the patient.

If Saluda cannot successfully defend itself against pending or future product liability claims and other litigation, it may incur substantial liabilities or be required to limit or halt commercialisation of its products. Even successful defences require significant financial and management resources. Regardless of the merits or eventual outcome, such litigation could damage Saluda's reputation and impair its ability to market its products and make applicable insurance coverage more costly or difficult to obtain. While Saluda believes that its current product liability insurance coverage is sufficient, there is no assurance that such coverage will be adequate to cover incurred liabilities or that it will be able to obtain acceptable product and professional liability coverage in the future.

4.3.2 Saluda has significant international operations which exposes it to a variety of risks

Sales outside the United States generated approximately 70.9% and 36.3% of Saluda's revenue in FY23 and FY24, respectively, so Saluda's performance in international markets is significant to the business. Saluda relies on direct representatives in Australia and Europe (other than Spain where Saluda markets through a distribution partner) and international sales are subject to a number of risks, including difficulties in staffing, export restrictions and trade regulations, fluctuations in currency exchange rates, customs clearance and shipping delays, and the burdens of complying with a wide variety of foreign laws and different legal and regulatory standards. If any of these risks materialise, it may negatively affect Saluda's business.

Saluda may also engage additional distributors for certain markets outside of the U.S. in the future. If Saluda fails to manage, train or incentivise these distributors effectively, or if these distributors are not successful in their sales efforts, Saluda may not achieve expected revenue from such markets. In addition, Saluda will rely on the relevant distributors to comply with applicable laws and regulations in connection with the distribution of the Company's products, including anti-corruption and anti-bribery laws. Any failure by distributors to comply with such laws and regulations could result in liability, penalties or other sanctions, which could negatively affect Saluda's business.

4.3.3 Saluda's products and operations are subject to extensive government regulation and oversight both in the United States and abroad

The Evoke System is subject to extensive regulation as a medical device by the FDA in the United States and by comparable regulatory authorities or notified bodies outside of the United States. Government regulations specific to medical devices are wide ranging and govern every stage of the product life cycle, including design, development, manufacturing, testing, labelling, packaging, storage, distribution, marketing, post-market surveillance, recalls and import-export activities.

In the United States, Saluda cannot commercialise a new product, a new indication or a significant modification without first obtaining either 510(k) clearance, a PMA or a de novo classification. Each pathway can require substantial clinical data, is costly, and may take months or years, with PMA reviews typically the longest and most expensive. Although Saluda has received a PMA for the Evoke System, the FDA may revoke or restrict that approval if post-market safety, efficacy or compliance issues arise. In the European Union, continued sales depend on demonstrating conformity with the EU MDR, completing a notified-body conformity assessment and affixing the CE mark. Failure to meet these obligations would prevent distribution in the EU and, by extension, throughout the European Economic Area (including Norway, Liechtenstein and Iceland). In Australia, the TGA has completed a post-market review of all SCS devices listed on the ARTG and as part of that review the TGA imposed additional conditions of inclusion on the Evoke System's entry in the ARTG, requiring amendments to the Australian label for the Evoke System.

Regulatory bodies may delay, limit or refuse authorisations if Saluda's clinical studies are disputed, its data is deemed insufficient, serious adverse events occur, benefits do not clearly outweigh risks, manufacturing processes fall short, or applicable rules change. Any delay, denial, revocation or restrictive labelling of required clearances, approvals or certifications would limit that Company's ability to market the Evoke System.

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4.3.4 Saluda is subject to extensive U.S. federal, state and foreign fraud and abuse, transparency and other healthcare laws and regulations

Saluda's arrangements with clinicians, hospitals and clinics exposes it to fraud and abuse and other laws and regulations that restrict the financial arrangements and relationships Saluda may have with hospitals, physicians and other healthcare providers and potential purchasers of its products. Healthcare laws and regulations that may affect Saluda's ability to conduct business, include, without limitation, the U.S. federal Anti-Kickback Statute, false claims laws, consumer protection and unfair competition laws and the FDCA.

Because of the breadth of these laws and the narrowness of available statutory exceptions and regulatory safe harbours, it is possible that some of Saluda's activities could be subject to challenge under one or more such laws. Enforcement bodies are also increasing their scrutiny of interactions and payments between healthcare companies and healthcare providers. Responding to enquiries or investigations from enforcement bodies may be time- and resource-consuming and divert management's attention from the business.

The growth of Saluda's business and sales force and operations outside of the United States may increase the potential of violating these laws. Any action brought against Saluda for violating these or other laws or regulations, even if successfully defended, could cause the Company to incur significant legal expenses and divert management's attention from the operation of the business. If Saluda is found to be in violation of any of the U.S. federal, state and foreign laws described above or any other current or future fraud and abuse or other healthcare laws and regulations that apply to the Company, it may be subject to significant penalties, including significant criminal, civil, and administrative penalties, damages, fines, imprisonment for individuals, exclusion from participation in government programs, such as Medicare and Medicaid, contractual damages, reputational harm and disgorgement and the Company could be required to curtail or cease operations. Any of the foregoing consequences would negatively affect the Company's business.

4.3.5 Healthcare reform measures could impact Saluda's commercial success

In the United States and other countries, there have been, and Saluda expects there will continue to be, a number of legislative and regulatory changes to the healthcare system in ways that may harm future revenue and profitability and the demand for Saluda's products. Lawmakers regularly propose and, at times, enact legislation that could result in significant changes to the healthcare system, some of which may be intended to contain or reduce the costs of medical products and services. Current and future legislative proposals to further reform healthcare or reduce healthcare costs may limit coverage of or lower reimbursement for the procedures associated with the use of Saluda's products. Any cost containment measures that payors and providers institute and the effect of any healthcare reform initiative implemented in the future could impact the revenue from the sale of Saluda's products.

4.3.6 Any failure to comply with U.S. and foreign privacy and data protection laws and requirements may adversely affect Saluda's business

Saluda and its third-party service providers, collect, receive, store, process, use, generate, transfer, disclose, protect, share and maintain confidential information, which may include personal information, proprietary and confidential business information, trade secrets, intellectual property, and protected health information. Accordingly, Saluda and its third-party service providers and partners are subject to U.S. federal, state, and foreign laws, regulations, guidance and industry and other standards governing data privacy and security and the collection, use, disclosure, transfer, retention, security and other processing of personal information, such as information that the Company may collect in connection with clinical trials in the U.S. and abroad.

In the United States, numerous federal and state laws and regulations, including state security breach notification laws, federal and state health information privacy laws, and federal and state consumer protection laws, which govern the collection, use, disclosure, transfer, protection and other processing of personal information including health-related information, apply or could apply to Saluda's operations or the operations of its collaborators, partners and customers. For example, HIPAA imposes obligations relating to the privacy, security and transmission of individually identifiable health information, and breach notification obligations, on certain healthcare providers, health plans and healthcare clearinghouses, known as covered entities, as well as their business associates that perform certain services that involve creating, receiving, maintaining or transmitting such information for or on behalf of such covered entities, and their covered subcontractors. Among other requirements, HIPAA requires business associates to develop and maintain policies with respect to the protection of, use and disclosure of protected health information, or PHI, including the adoption of administrative, physical and technical safeguards to protect such information, certain notification requirements in the event of a breach of unsecured PHI, and requirements to report breaches of unsecured PHI to covered entities within 60 days of discovery of the breach by the business associate or its agents.

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In Europe, the European Union General Data Protection Regulation, or the EU GDPR, imposes strict requirements for processing, and in the context of Saluda's activities involving, the personal data of individuals in the European Economic Area, and the United Kingdom General Data Protection Regulation and United Kingdom Data Protection Act 2018, or collectively, the UK GDPR, governs similar collection and other processing activities involving personal data about individuals in the United Kingdom.[63] The GDPR is wide-ranging in scope and imposes numerous requirements on companies that process personal data, such as health and other sensitive data, such as requirements related to providing notice to, and collecting and responding to requests from, data subjects. In particular, the processing of "special category personal data" (such as personal data related to health and genetic information), which may be relevant to Saluda's operations in the context of the conduct of its clinical trials, imposes heightened compliance burdens under European data protection laws and is of interest to relevant regulators.

Any actual or alleged failure to comply with applicable privacy and data protection laws, rules, regulations, or contracts governing the processing of personal information may result in negative publicity, regulatory investigations and enforcement actions, liability including significant fines and civil and criminal penalties, private litigation and claims by third parties and damage to the Company's reputation.

4.3.7 Adverse market or macroeconomic conditions or market volatility, including as result of the introduction of or changes in tariffs and tariff exemption criteria, could affect Saluda's operations

Adverse market or macroeconomic conditions or market volatility resulting from global economic developments, political unrest, high inflation, any increases to interest rates, the post-COVID environment or other factors, including the introduction of or changes in tariffs and tariff exemption criteria, could materially and adversely affect Saluda's business operations. Saluda has not presently been materially impacted by tariffs but there is the risk that the imposition of new tariffs and/or other orders or restrictions impacting trade in the future could adversely impact Saluda's business, including by increasing or otherwise impacting the costs and expenses it incurs in connection with its operations and supply chain, and by potentially increasing the price of Saluda's products to purchasers. The actual impacts of any tariffs and other orders or restrictions would be subject to a number of factors, including the effective date and duration of such tariffs, changes in tariff exemption criteria or interpretations thereof, orders and restrictions, the amount, scope and nature of such inputs, any countermeasures that the target countries may take, and any mitigating actions that may become available.

4.3.8 Disruptions at the FDA, other government agencies and notified bodies may negatively impact Saluda's business

The ability of the FDA, other government agencies and notified bodies to review and approve or certify new products can be affected by a variety of factors, including government budget and funding levels, statutory, regulatory and policy changes, a government agency's ability to hire and retain key personnel and accept the payment of user fees, and other events that may otherwise affect the government agencies and notified bodies' ability to perform routine functions. As a result, average review times at the FDA and other government agencies and notified bodies have fluctuated in recent years. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable. Disruptions at the FDA, other agencies and notified bodies may also slow the time necessary for new medical devices or modifications to cleared, approved or certified medical devices to be reviewed and/or cleared, approved or certified by necessary government agencies or notified bodies, which could adversely affect Saluda's business. For example, over the last several years, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical FDA employees and stop critical activities. In addition, the current U.S. presidential administration has issued certain policies and Executive Orders directed toward reducing the employee headcount and costs associated with U.S. administrative agencies, including the FDA, which resulted in a large reduction in force at the FDA in early 2025. It remains unclear the degree to which these efforts may limit or otherwise adversely affect the FDA's ability to conduct routine activities, and any resulting impact on Saluda.

63. References to the GDPR in this Prospectus include both the EU GDPR and the UK GDPR.

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4.4 RISKS RELATED TO AN INVESTMENT IN CDIs AND THE OFFER

4.4.1 The ability to achieve a return on an investment in Saluda will largely depend on an appreciation in the market price of the CDIs

The CDIs to be issued pursuant to the Offer carry no guarantee with respect to the payment of dividends, return of capital or market value. As Saluda does not currently intend to pay dividends on its Shares in the foreseeable future, investors' ability to achieve a return on their investment in Saluda will depend on an appreciation in the market price of the CDIs. There is no guarantee that the CDIs will appreciate in value or even maintain the same level as the Offer Price. Accordingly, there is a risk that investors may not achieve any return on their investment.

4.4.2 The costs and management time involved in complying with Delaware laws, Australian laws and future U.S. reporting requirements are likely to be significant

As a Delaware company with an ASX listing and a registration as a foreign company in Australia, Saluda will need to ensure it maintains compliance with Delaware law and relevant Australian laws and regulations, including the Listing Rules and certain provisions of the Corporations Act. To the extent of any inconsistency between Delaware law and Australian law and regulations, Saluda may need to make changes to its business operations, structure or policies to resolve such inconsistency. If Saluda is required to make such changes, this is likely to result in interruptions to its operations, additional demands on Key Managers and extra costs.

Saluda may become subject to the periodic reporting requirements of the U.S. Exchange Act at some stage in the future, which would require it to register a class of its equity securities with the SEC under the U.S. Exchange Act. Saluda will become a reporting company if, among other things, it has (i) total assets of more than US$10 million at financial year-end and (ii) either 2,000 or more persons or 500 or more persons who are not 'accredited investors' as defined in Rule 501(a) of Regulation D under the U.S. Securities Act. In calculating the number of record holders for this purpose, Saluda may exclude persons who acquired their securities under an employee compensation plan in exempt transactions. In addition, Saluda would become subject to the reporting requirements of the U.S. Exchange Act if it becomes a public company in the United States. Registration under the U.S. Exchange Act will involve Saluda filing annual, quarterly, and current reports on Forms 10-K, 10-Q and 8-K, respectively, and complying with proxy rules and Section 16 insider reporting. In the absence of a waiver from the Listing Rules, these SEC periodic reports will be in addition to Saluda's periodic filings required by the Listing Rules. At the time Saluda becomes subject to the reporting requirements of the U.S. Exchange Act, Saluda will also become subject to the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which will impose additional governance and reporting obligations. The legal and accounting costs and management time that will be required to comply with these obligations are expected to be significant.

4.4.3 Provisions of Saluda's constituent documents and Delaware General Corporation Law could make an acquisition of Saluda more difficult

Certain provisions of Saluda's Certificate of Incorporation and Bylaws could discourage, delay or prevent a merger, acquisition, tender offer or other means of effecting a change of control of Saluda. Furthermore, these provisions could frustrate attempts by Shareholders and CDI Holders to replace or remove members of the Board or make other changes in management. These provisions could also limit the price that investors might be willing to pay in the future for the CDIs, thereby depressing the market price of the CDIs. A summary of these provisions in Saluda's Certificate of Incorporation and Bylaws is set out in Section 12.9.

4.4.4 Saluda's Bylaws designate the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain litigation

Saluda's Bylaws provide that unless Saluda consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for certain actions involving Saluda (refer to the description in the Forum selection section of the table in Section 12.10). Any person or entity purchasing or otherwise acquiring any interest in shares of Saluda's capital stock (including holders of CDIs) will be deemed to have notice of, and consented to, this forum selection provision. This provision in Saluda's Bylaws may have the effect of discouraging lawsuits against Saluda or its Directors and officers and may limit the ability of Shareholders and CDI Holders to obtain a favourable judicial forum for disputes with Saluda.

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5. Financial Information

5. Financial Information

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5.1 INTRODUCTION

The financial information of Saluda contained in this Section 5 includes the following (collectively, the **Financial Information**):

- Historical Financial Information, being the Statutory Historical Financial Information and Pro Forma Historical Financial Information for the financial years ended 30 June 2023 (**FY23**), 30 June 2024 (**FY24**) and 30 June 2025 (**FY25**); and
- Forecast Financial Information, being the Statutory Forecast Financial Information and Pro Forma Forecast Financial Information for the financial year ending 30 June 2026 (**FY26F**).

An overview of the relevant Financial Information items is shown in the table below.

Table 1 Summary of Financial Information in Section 5

	STATUTORY FINANCIAL INFORMATION	PRO FORMA FINANCIAL INFORMATION
Historical Financial Information	**Statutory Historical Financial Information** comprises the following: • Statutory consolidated historical income statements for FY23, FY24 and FY25 (**Statutory Historical Income Statements**); • Statutory consolidated historical statement of financial position as at 30 June 2025 (**Statutory Historical Statement of Financial Position**); and • Statutory consolidated historical statement of cash flows for FY23, FY24 and FY25 (**Statutory Historical Cash Flows**).	**Pro Forma Historical Financial Information** comprises the following: • Pro Forma consolidated historical income statements for FY23, FY24 and FY25 (**Pro Forma Historical Income Statements**), together with a reconciliation to the Statutory Historical Income Statement; and • Pro Forma consolidated historical statement of financial position as at 30 June 2025 (**Pro Forma Historical Statement of Financial Position**).
Forecast Financial Information	**Statutory Forecast Financial Information** comprises the following: • Statutory consolidated forecast income statement for FY26F (**Statutory Forecast Income Statement**); and • Statutory consolidated forecast cash flows for FY26F (**Statutory Forecast Cash Flows**).	Pro Forma Forecast Financial Information comprises the following: • Pro Forma consolidated forecast income statement for FY26F (**Pro Forma Forecast Income Statement**), together with a reconciliation to the Statutory Forecast Income Statement.

Also summarised in this Section 5 are:

(a) The basis of preparation and presentation of the Historical Financial Information and Forecast Financial Information (refer to Sections 5.2.2);

(b) Information regarding reporting segments and Information regarding certain non U.S. GAAP financial measures and other measures (refer to Section 5.2.3);

(c) Pro Forma Historical Income Statements and Pro Forma Forecast Income Statement (refer to Section 5.3) including a summary of pro forma adjustments to the Statutory Historical Income Statements and Statutory Forecast Income Statement and reconciliations of the Pro Forma Historical Income Statements and Pro Forma Forecast Income Statement to the Statutory Historical Income Statements and Statutory Forecast Income Statements, respectively (refer to Section 5.4);

(d) Summary of key operating and financial metrics (refer to Section 5.5);

(e) The Directors' best estimates of general and specific assumptions underlying the Forecast Financial Information (refer to Section 5.6);

(f) Management's discussion and analysis of the Pro Forma Historical Financial Information and the Pro Forma Forecast Financial Information (refer to Section 5.7);

(g) Details of Saluda's historical and forecast cash flow statement (refer to Section 5.8);

(h) Details of Saluda's statutory and pro forma historical financial position, and pro forma financial position at the assumed Allotment Date (refer to Section 5.9);

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(i) Information regarding indebtedness, banking facilities, and other contractual commitments (refer to Section 5.9);

(j) An analysis of the sensitivity of the Pro Forma Forecast Financial Information to changes in key assumptions (refer to Section 5.10);

(k) Qualitative disclosures about Saluda's financial risk management framework (refer to Section 5.11);

(l) A summary of U.S. GAAP vs IFRS differences (refer to Section 5.12); and

(m) Information regarding significant accounting policies and key judgements and estimates (refer to section 13).

The information in Section 5 should also be read in conjunction with the risk factors set out in Section 4 and the other information contained in this Prospectus.

All amounts disclosed in Section 5 are presented in United States Dollars (USD or $) and, unless otherwise noted, are rounded to the nearest $0.1 million. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any differences between totals and sums of components in figures or tables contained in this Prospectus are due to rounding.

The Historical and Forecast Financial Information presented in this Prospectus has been reviewed by Grant Thornton Corporate Finance Pty Ltd (**Grant Thornton** or **Investigating Accountant**) in accordance with the Australian Standard on Assurance Engagements ASAE 3450 'Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information' (ASAE 3450), as stated in its Investigating Accountant's Report on the Historical and Forecast Financial Information. Investors should note the scope and limitations of the Investigating Accountant's Report on the Historical and Forecast Financial Information (refer to Section 6).

5.2 BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL INFORMATION

5.2.1 Overview

The Directors are responsible for the preparation and presentation of the Financial Information.

The Financial Information in this Prospectus is intended to present potential investors with information to assist them in understanding the historical financial performance, cash flows and financial position of Saluda, together with the forecast financial performance and cash flows for FY26F.

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Generally Accepted Accounting Principles in the United Sates (**U.S. GAAP**). A reconciliation relevant to potential investors between U.S. GAAP and International Financial Reporting Standards the accounting standards accepted in Australia, is set out in Section 5.12. The Financial Information is presented in an abbreviated form and does not include all the presentation and disclosures, and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The Pro Forma Historical Information has been prepared solely for inclusion in this Prospectus and does not reflect the actual results and cash flows of Saluda for the periods indicated. Saluda believes that it provides useful information as it permits investors to examine what it considers to be the underlying financial performance and cash flows of the business and is presented on a consistent basis with the Pro Forma Forecast Financial Information.

In addition to the Financial Information, this Section describes certain non U.S. GAAP measures included in the Pro Forma Historical Information and Pro Forma Forecast Financial Information that are used to manage and report on Saluda's business. These financial measures are not defined or recognised in U.S. GAAP.

5.2.2 Basis of Preparation of the Historical Financial Information

The Statutory Historical Financial Information used in the preparation of the Pro Forma Historical Financial Information has been extracted from Saluda's audited financial statements for FY23, FY24 and FY25. The FY23 and FY24 financial statements were audited by Grant Thornton Audit Pty Ltd (**Grant Thornton Audit**) in accordance with Australian auditing standards. The FY25 financial statements were audited by Grant Thornton LLP in accordance with auditing standards generally accepted in the United States of America (**U.S. GAAS**). The audit opinion issued to the Directors for FY23, FY24 and FY25 were unmodified but included an emphasis of matter in relation to Saluda continuing as a going concern.

The Pro Forma Historical Financial Information has been prepared solely for the purpose of this Prospectus.

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The Pro Forma Historical Income Statement have been derived from the Statutory Historical Income Statement and adjusted to reflect the inclusion of the financial results of the following:

(a) Fair value adjustments in relation to convertible notes which will convert to Shares as part of the Bridge Financing; and

(b) Interest expenses in relation to the convertible notes which will convert to Shares as part of the Bridge Financing.

Section 5.4 sets out the pro forma adjustments made to the Statutory Historical Income Statement and a reconciliation of the statutory historical net loss after tax (**NLAT**) to the pro forma historical NLAT.

The Pro Forma Historical Statement of Financial Position is derived from the Statutory Historical Statement of Financial Position and adjusted to reflect the impact of the Offer and U.S. Private Placement and the Pro Forma Adjustments set out in Section 5.9.

Saluda's accounting policies have been consistently applied in preparing the Historical Financial Information and Forecast Financial Information for each of the periods presented and are set out in Section 13.

5.2.3 Basis of Preparation of the Forecast Financial Information

The Forecast Financial Information has been prepared solely for inclusion in this Prospectus. The Forecast Financial Information is presented on both a statutory and pro forma basis for FY26F. The basis of preparation and presentation of the Forecast Financial Information is consistent with the basis of preparation and presentation of the Pro Forma Historical Financial Information.

The Forecast Financial Information has been prepared by Saluda based on an assessment of current market, economic and operating conditions and on the Directors' best estimate of general and specific assumptions regarding future events and actions set out in Section 5.6.1 and Section 5.6.2.

The disclosure of these assumptions is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring and the potential effect on the Forecast Financial Information if, and to the extent that, any such assumption does not occur. The disclosure of the assumptions is not intended to be a representation that the assumptions will occur. Accordingly, investors are cautioned not to place undue reliance on the Forecast Financial Information.

The Statutory Forecast Financial Information represents Saluda's best estimates of the financial performance and cash flows that it expects to report in its consolidated general purpose statutory financial statements for FY26F. This assumes the Allotment Date will occur on 1 December 2025.

The Pro Forma Forecast Financial Information has been derived from the Statutory Forecast Financial Information, with pro forma adjustments to reflect the addback of special charges relating to restructuring charges and one-off offer costs expensed in the statutory results in FY26F.

Section 5.4 includes a reconciliation of statutory forecast NLAT to the pro forma forecast NLAT for FY26F.

The Forecast Financial Information should be read in conjunction with the general and specific assumptions set out in Section 5.6, the sensitivity analysis described in Section 5.10, the risk factors described in Section 4, the Significant Accounting Policies set out in Section 13 and other information in this Prospectus. Saluda does not intend to update or revise the Forecast Financial Information or other forward-looking statements or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law or regulation or ASX continuous disclosure obligations.

Segment Information

Saluda reports revenue by geographical disaggregation as outlined in Section 5.7.2.

5. Financial Information continued

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Explanation of Non U.S. GAAP Financial Measures

Saluda uses certain measures to manage and report on its business that are not recognised under U.S. GAAP.

Although Saluda believes that these measures provide useful information to users in measuring the financial performance and condition of the business, they should be considered as supplements to the income statement measures that have been presented in accordance with U.S. GAAP and not as a replacement for them. As these non U.S. GAAP financial measures are not based on U.S. GAAP, they do not have standard definitions and the way Saluda calculates these measures may differ from similarly titled measures by other entities. Investors and readers of this prospectus should therefore not place undue reliance on these non U.S. GAAP financial measures.

The key non U.S. GAAP financial measures that are referred to in this Prospectus are outlined below:

Income statement

(a) Gross profit represents revenue, net of costs of goods sold or services performed.

(b) Net Operating Profit/(Loss) represents revenue net of cost of goods sold or services performed and operating expenses.

(c) EBITDA is earnings before interest, tax and depreciation & amortization.

(d) EBIT is earnings before interest and tax, inclusive of other income, foreign exchange gain and change in fair value of warrant liability.

(e) Adjusted EBIT represents gain/(loss) from operations plus addback of stock-based compensation.

(f) Adjusted EBITDA represents Adjusted EBIT plus addback of depreciation and amortization.

Cash flow statement

(a) Working capital is the sum of trade and other receivables, contract assets and other assets, less trade and other payables, contract liabilities, accrued expenses, current provisions and current tax liabilities.

(b) Capital expenditure is primarily related to investment in property, plant and equipment and business acquisitions.

Indebtedness information

(a) Net cash represents cash and cash equivalents and, term deposits, net of borrowings.

(b) Gross debt is the interest bearing borrowings of the Group comprising bank debt.

Financial metrics

(a) Revenue growth represents the period-on-period growth in revenue, on a global basis or in any given geography.

(b) Gross profit % is gross profit divided by total revenue and expressed as a percentage.

(c) U.S. revenue is the revenue derived from the customers in the USA.

(d) Number of U.S. patients implanted is the number of patients who have been implanted with the device during any given year in the U.S.

(e) Average revenue per patient is the U.S. revenue divided by the number of patients implanted in the U.S.

(f) Number of sales representatives at the end of period is the number of sales representatives at the end of each fiscal year.

(g) Average number of trained representatives over period is the average number of sales representatives who have completed their training and are considered fully trained sales staff, calculated by averaging the number of trained representatives in the first month of the last quarter in current and preceding year end.

(h) Average revenue per trained representative is the U.S. revenue divided by the average number of trained representatives in the same period.

(i) Average number of active implanting physicians in any given year is the average quarterly number of physicians who have performed at least 1 implant procedure in the each of the preceding four quarters of that year.

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5.3 HISTORICAL AND FORECAST INCOME STATEMENTS

5.3.1 Pro Forma Historical Income Statements and Pro Forma Forecast Income Statement

Saluda's Pro Forma Historical Income Statements for FY23, FY24 and FY25 and the Pro Forma Forecast Income Statement for FY26F are shown in the table below.

Reconciliations of the Statutory Historical Income Statement and Statutory Forecast Income Statement to the Pro Forma Historical Income Statement and Pro Forma Forecast Income Statement are provided in Section 5.4.

Table 2 Pro Forma Historical and Forecast Income Statements

PRO FORMA		HISTORICAL			FORECAST
$000's	NOTE	FY23	FY24	FY25	FY26F
Revenue	1	22,234	51,682	70,356	81,883
Cost of revenue	2	(18,195)	(28,568)	(37,600)	(44,321)
Gross profit		**4,039**	**23,114**	**32,756**	**37,563**
Gross profit %		*18.2%*	*44.7%*	*46.6%*	*45.9%*
Selling, marketing and distribution	3	(42,651)	(68,469)	(75,762)	(90,986)
Research & development	4	(26,888)	(28,435)	(32,905)	(32,260)
General & administrative	5	(20,461)	(21,609)	(28,111)	(31,648)
Stock based compensation	6	(6,261)	(3,736)	(14,029)	(20,297)
Total expenses		**(96,262)**	**(122,250)**	**(150,807)**	**(175,191)**
Net Operating Profit/(Loss)		**(92,222)**	**(99,136)**	**(118,051)**	**(137,628)**
Foreign exchange gain	7	1,430	114	1,653	–
Other income	8	671	–	–	–
Change in fair value of warrant liabilities	9	24	1,000	(7,149)	–
EBIT		**(90,097)**	**(98,022)**	**(123,547)**	**(137,628)**
Interest income	9	3,213	5,470	2,012	2,150
Interest expense	9	(4,666)	(5,002)	(6,627)	(9,547)
Profit/(loss) before income tax		**(91,550)**	**(97,554)**	**(128,162)**	**(145,026)**
Income tax expense	10	(614)	(273)	(529)	(503)
Net profit/(loss) after tax		**(92,164)**	**(97,827)**	**(128,691)**	**(145,528)**

Notes:

1. Saluda's revenue primarily consists of sales of its Evoke System, to hospitals or outpatient medical facilities. The Group's revenue relates to sales of implants as well as the trial devices which represents a much smaller portion of the total revenue.
2. Saluda's cost of revenue mainly consists of acquisition costs for the components of the Evoke System, overhead costs, scrap and inventory obsolescence, warranty replacement costs, as well as distribution-related expenses such as logistics and shipping costs, net of shipping costs charged to customers.
3. Selling, marketing and distribution expenses consist primarily of personnel costs including salary, commissions and employee benefits for Saluda's sales and marketing personnel. Selling, marketing and distribution expense also includes costs attributable to marketing, consulting services, sales representative training as well as travel.
4. Research and development expenses include expenses associated with new product development, engineering, regulatory compliance and clinical research. Such costs include personnel-related costs, supplies, services, information services, clinical trial and related clinical manufacturing expenses, fees paid to investigative sites and other indirect costs.
5. General and administrative expenses include expenses associated with general costs of the business, including administrative personnel costs, corporate costs, HR costs, IT costs, finance function related costs and general legal fees.
6. Stock Based Compensation (SBC) relates to expenses for vested options under two equity plans provided to Saluda employees.
7. Foreign exchange gains and losses result from transactions and revaluation of monetary assets and liabilities in non-functional currencies.
8. Other income consists of research and development incentive income, which includes payments under the Research and Development Tax Incentive from the Australian government.
9. Interest income consists of interest earned on investments in term deposits and money market funds. Interest expense consists of interest incurred on the Covidien Term Loan and Perceptive Term Loan.
10. Saluda accounts for income taxes in accordance with ASC Topic 740, Income Taxes, which requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognised for deductible temporary differences, and deferred tax liabilities are recognised for taxable temporary differences.

5. Financial Information continued

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5.3.2 Reconciliation to Adjusted EBIT and Adjusted EBITDA

The reconciliation to derive Adjusted EBIT and EBITDA from Pro forma Net Operating Profit/(Loss) by adding back non-cash related expenses is shown in the table below.

Table 3 Reconciliation to Adjusted EBIT and EBITDA

PRO FORMA	HISTORICAL			FORECAST
$000's	FY23	FY24	FY25	FY26F
Pro forma Net Operating Profit/(Loss)	**(92,222)**	**(99,136)**	**(118,051)**	**(137,628)**
Addback: Stock based compensation[1]	6,261	3,736	14,029	20,297
Adjusted EBIT	**(85,961)**	**(95,400)**	**(104,022)**	**(117,332)**
Addback: Depreciation and amortisation[2]	2,309	2,628	2,606	2,620
Adjusted EBITDA	**(83,652)**	**(92,772)**	**(101,416)**	**(114,712)**

Notes:

1. Stock based compensation, being non-cash in nature, has been added back to derive adjusted EBIT.
2. Depreciation and amortisation included within the respective cost categories has been added back in total to derive adjusted EBITDA.

5.3.3 Statutory Historical Income Statement and Statutory Forecast Income Statement

Saluda's Statutory Historical Income Statement and Statutory Forecast Income Statement are shown in the table below.

Reconciliations of the Statutory Income Statement to the Pro Forma Income Statement are provided in Section 5.4.

Table 4 Statutory Historical and Forecast Income Statements

STATUTORY		HISTORICAL			FORECAST
$000's	NOTE	FY23	FY24	FY25	FY26F
Revenue	1	22,234	51,682	70,356	81,883
Cost of revenue	2	(18,195)	(28,568)	(37,600)	(44,321)
Gross profit		**4,039**	**23,114**	**32,756**	**37,563**
Gross profit %		*18.2%*	*44.7%*	*46.6%*	*45.9%*
Selling, marketing and distribution	3	(42,652)	(68,469)	(75,762)	(90,986)
Research & development	4	(26,888)	(28,435)	(32,905)	(32,260)
General & administrative	5	(20,461)	(21,609)	(28,111)	(31,648)
Stock based compensation	6	(6,261)	(3,736)	(14,029)	(20,297)
Special charges		–	–	–	(4,531)
Total expenses		**(96,261)**	**(122,250)**	**(150,807)**	**(179,722)**
Net Operating Profit/(Loss)		**(92,222)**	**(99,136)**	**(118,051)**	**(142,160)**
Foreign exchange gain	7	1,430	114	1,653	–
Loss on issuance of convertible notes		–	–	(20,611)	–
Change in fair value of warrant liabilities		24	1,000	(7,149)	–
Other income	8	671	–	–	–
EBIT		**(90,099)**	**(98,022)**	**(144,158)**	**(142,160)**
Interest income	9	3,213	5,470	2,012	2,150
Interest expense	9	(4,666)	(5,002)	(6,627)	(9,547)
Profit/(loss) before income tax		**(91,552)**	**(97,554)**	**(148,773)**	**(149,557)**
Income tax expense	10	(614)	(273)	(529)	(503)
Net profit/(loss) after tax		**(92,164)**	**(97,827)**	**(149,302)**	**(150,060)**

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5.4 SUMMARY OF RECONCILIATION OF STATUTORY NLAT TO PRO FORMA NLAT

An overview of the pro forma adjustments including a reconciliation of the statutory NLAT to pro forma historical NLAT for FY23, FY24 and FY25, and statutory forecast NLAT to pro forma forecast NLAT for FY26F is shown in the table below.

Table 5 Reconciliation of statutory NLAT to pro forma historical NLAT and statutory forecast NLAT to pro forma forecast NLAT

$000's	NOTE	FY23	FY24	FY25	FY26F
Statutory (NLAT)		**(92,164)**	**(97,827)**	**(149,302)**	**(150,060)**
Loss on issuance of convertible notes	1	–	–	20,611	–
Addback of special charges	2	–	–	–	4,531
Total adjustments		**–**	**–**	**20,611**	**4,531**
Pro Forma (NLAT)		**(92,164)**	**(97,827)**	**(128,691)**	**(145,528)**

Notes:

1. Addback of loss on issuance of convertible notes and interest on convertible notes as the convertible notes converted to common stock as part of the Bridge Financing.
2. Addback of costs relating to restructure and deferred costs related to potential U.S. financing which were previously capitalised in FY25 and now intended to be written off on the Income Statement in FY26F.

5.5 KEY OPERATING AND FINANCIAL METRICS

The table below summarises the pro forma historical key operating and financial metrics for FY23, FY24, FY25 and FY26F.

Gross profit, Gross profit %, Revenue growth % shown below are measures derived from the Pro Forma Historical Income Statements and Pro Forma Forecast Income Statement.

Table 6 Group operating and financial metrics

	FY23	FY24	FY25	FY26F
Pro Forma				
Revenue ($000's)	22,234	51,682	70,356	81,883
Gross profit ($000's)	4,038	23,114	32,756	37,563
Group Operating Metrics				
Revenue growth %	*70.0%*	*132.4%*	*36.1%*	*16.4%*
Gross profit (%)	*18.2%*	*44.7%*	*46.6%*	*45.9%*
U.S. Operating Metrics				
U.S. revenue ($000's)	6,481	32,897	49,878	60,691
U.S. Revenue growth %		*407.6%*	*51.6%*	*21.7%*
Number of patients implanted	252	1,306	1,998	2,640
Average revenue per patient ($'000s)	*26*	*25*	*25*	*23*
Number of sales representatives at end of period	70	99	127	154
Avg. number of trained representatives over period		38	55	89
Avg. revenue per trained representatives ($'000s)		*877*	*915*	*686*
Avg. number of active implanting physicians (MDs)	28	155	236	312

5. Financial Information continued

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The table below sets out Saluda's pro forma revenue by geography for FY23, FY24, FY25 and FY26F.

Table 7 Proforma revenue by geography

PRO FORMA $'000s	FY23	FY24	FY25	FY26F
USA	6,481	32,897	49,878	60,691
Europe	11,034	11,750	15,114	16,618
Australia	4,715	7,071	5,271	4,574
FX variance	4	(36)	91	–
Total revenue	**22,234**	**51,682**	**70,354**	**81,833**
Revenue growth metrics				
USA revenue growth %		407.6%	51.6%	21.7%
Europe revenue growth %		6.5%	28.6%	10.0%
Australia revenue growth %		50.0%	(25.5%)	(13.2%)

5.6 FORECAST FINANCIAL INFORMATION

The Forecast Financial Information is based on various specific and general assumptions, including those set out in this Section. In preparing the Forecast Financial Information, Saluda has undertaken an analysis of historical performance and applied assumptions where appropriate in order to forecast future performance in FY26F. Saluda believes that it has prepared the Forecast Financial Information with due care and attention and considers all assumptions, when taken as a whole to be reasonable at the time of preparing the Prospectus. However, actual results are likely to vary from those forecast and any variation may be materially positive or negative.

The assumptions on which the Forecast Financial Information is based are, by their nature, subject to significant uncertainties and contingencies, many of which are outside the control of Saluda and its Directors and management, and are not reliably predictable. Accordingly, Saluda, its Directors or any other person can give any assurance that the Forecast Financial Information or any prospective statement contained in this Prospectus will be achieved. Events and outcomes might differ in amount and timing from the assumptions, with a material consequential impact on the Forecast Financial Information.

The assumptions set out below should be read in conjunction with the sensitivity analysis set out in Section 5.10, the risk factors set out in Section 4 and the Independent Limited Assurance Report on Historical and Forecast Financial Information set out in Section 6. A reconciliation of the Pro Forma Forecast Results and Statutory Forecast Results is set out in Section 5.4.

5.6.1 General assumptions

In preparing the Forecast Financial Information, the following general Directors' best estimate assumptions have been adopted:

- there is no material change in the competitive and operating environments in which Saluda operates;
- there is no change in applicable U.S. GAAP that would have a material impact on Saluda's accounting policies, financial reporting or disclosure requirements;
- there is no significant deviation from current market expectations of the broader economic conditions including exchange rates relevant to the United States and European operations under which Saluda and its key clients operate, noting that some minor changes was assumed in relation to Australian operations;
- the FY26F forecast assumes the commercial launch of paddle lead in calendar year 2026 following approval of the PMA supplement;
- there are no material changes in the legislative regimes (including taxation) and regulatory environment in which Saluda and its clients operate;
- there are no material losses of customers or contracts beyond those incorporated in the forecasts;
- there are no material industrial actions or other disturbances, environmental costs or legal claims;
- there is no material amendment to or termination of any material agreement relating to Saluda's business other than as disclosed in this Prospectus;
- there are no significant disruptions to the continuity of Saluda's operations and there are no other material changes in Saluda's business;

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- no material acquisitions or divestments are completed;
- there are no material changes to Saluda's corporate and funding structure other than as set out in, or contemplated by, this Prospectus;
- there is no loss of key management personnel and Saluda will maintain the ability to recruit and retain required personnel;
- there is no material litigation that will arise or be settled to the benefit or detriment of Saluda;
- there are no material contingent liabilities that will arise or be realised to the detriment of Saluda;
- the Offer proceeds in accordance with the key dates set out on page 5 of this Prospectus; and
- none of the risks set out in Section 4 occurs; or if they do, none of them has a material adverse impact on Saluda's operations.

5.6.2 Specific assumptions

The Forecast Financial Information is based on various best estimate assumptions, of which the key assumptions are set out below. The assumptions below are a summary only and do not represent all factors that will affect Saluda's forecast financial performance. This information is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring and is not intended to be a representation that the assumptions will occur. It should be read in conjunction with the basis of preparation of the Forecast Financial Information set out in Section 5.2.2, the general assumptions set out in this Section, the risk factors set out in Section 4, the Significant Accounting Policies set out in Section 13 and other information contained in this Prospectus

5.7 MANAGEMENT DISCUSSION AND ANALYSIS OF THE HISTORICAL AND FORECAST FINANCIAL INFORMATION

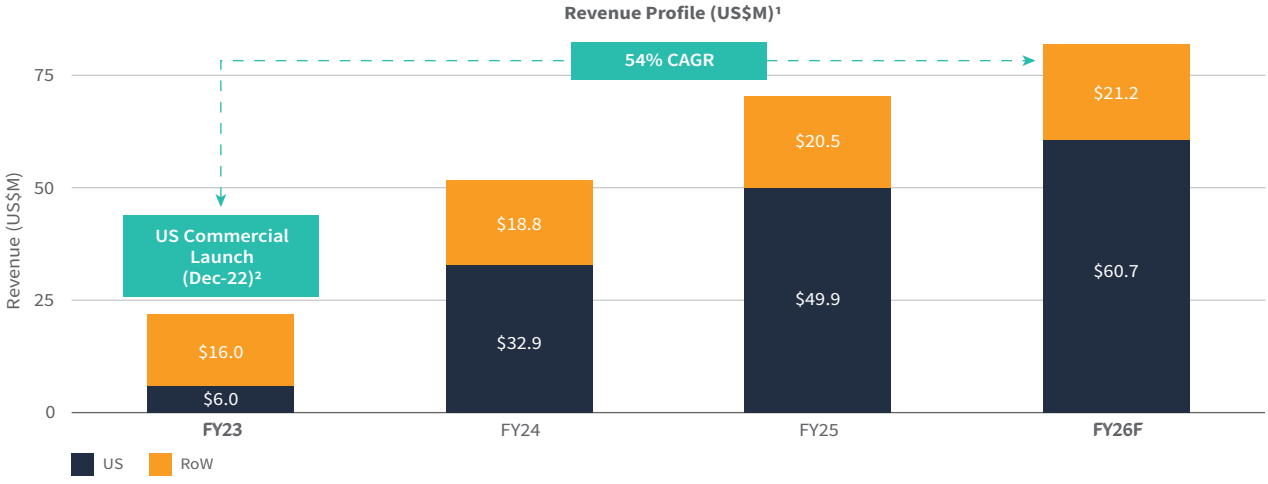
5.7.1 Overview

This Section 5.7 is a discussion of key factors that affected Saluda's operations and relative financial performance over FY23, FY24 and FY25 and considerations that have impacted the Saluda's FY26F forecast figures. The discussion of these general factors is intended to provide a summary only, based on the consolidated pro forma financial performance and position, and does not detail all factors that affected the Saluda's historical operating and financial performance. The information in Section 5.7 should be read in conjunction with the basis of preparation in Section 5.2 and the risk factors set out in Section 4.

5.7.2 Revenue

(a) Group Revenue by geography

Figure 5.1: Revenue by Geography



Notes:

1. As of 30 June YE.
2. PMA approval of the Evoke System in February 2022 and full US commercial launch in July 2023.

5. Financial Information continued

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Saluda's revenue primarily consists of sales of its Evoke System to hospitals or outpatient medical facilities. The Group began a limited commercial launch of its system in late 2019 in certain countries in Europe and in 2021 in Australia.

Saluda initiated a full commercial launch in the United States in July 2023. Revenue growth year over year has been primarily in the U.S. market, with revenue in that market growing from $6.5m in FY23 to approximately $50m in FY25, following the FDA approval and full commercial launch. Saluda's U.S. revenue growth has been driven by the growth in the U.S. sales force driving adoption in a growing number of physician customer accounts across the territories supported by fully trained sales representatives.

European revenue also grew from $11.0m in FY23 to $15.1m in FY25 as Saluda expanded its direct sales channel in targeted underpenetrated markets such as Germany and grew share in established direct markets such as Netherlands and expanded into Spain via a third party distributor.

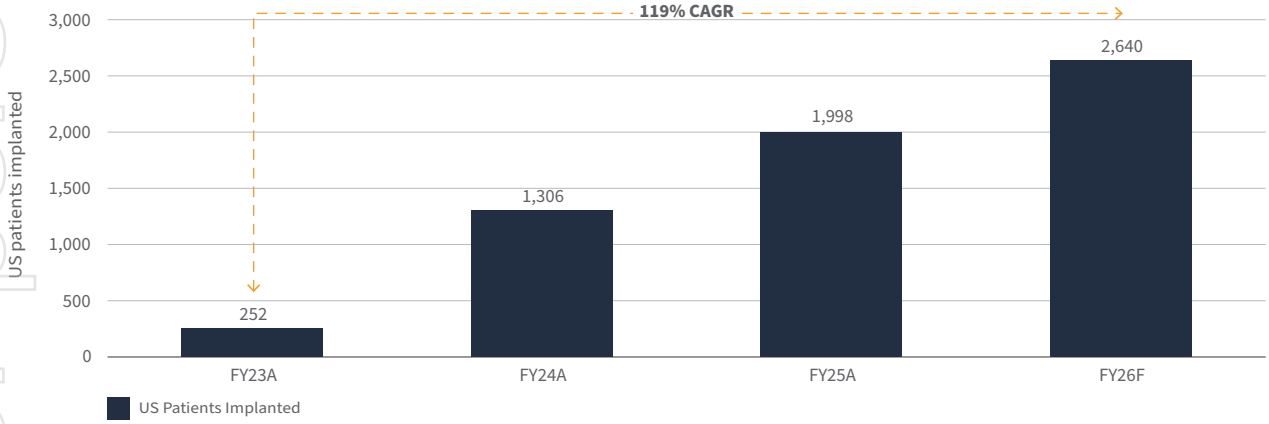
Australian revenue grew in FY24 as the Group expanded its commercial launch in Australia but revenue decreased in FY25 from the impact of certain negative media targeting the broader spinal cord stimulation market which had a negative impact on the overall number of patients seeking spinal cord stimulation in the Australian market.

Forecasted revenue growth in FY26F is primarily driven by US revenue growth as Saluda continues to train additional sales representatives and further expand its geographic commercial footprint in the US and increase the number of actively implanting physicians. Saluda expects the expansion of its trained sales representatives to allow increased adoption of the technology to increase both new customers as well as an increase in the share of current customer practice volume. The Group also forecasts its European revenue to grow 10% as Saluda continues to further expand customer adoption in targeted underpenetrated markets. Forecasted revenue in Australia is expected to decrease again in FY26 as a result of anticipated proposals to reduce the health insurance coverage for all spinal cord stimulation procedures in Australia which is expected to have a negative impact on the end selling price to customers.

The following metrics provide the key drivers of our US revenue growth.

(b) Number of US patients implanted and average revenue per patient

Figure 5.2: US Patients Implanted



There has been a year over year growth in the number of patients implanted in the US market, which is indicative of the increasing brand awareness, adoption of Saluda's closed loop technology and market share that Saluda has attracted as the Company has increased its number of sales representatives and attracted new customers. The continued growth in number of patients implanted during the FY26F forecast is expected to be driven by the ongoing increase in sales representatives and the average number of active implanting physicians.

The decrease in average revenue per patient in FY26F is partly because FY25 had a higher number of implants sold to customers in bulk ahead of implantation as well as an expectation that product pricing will decline as the Company seeks to increase accessibility of its device in the U.S. market.

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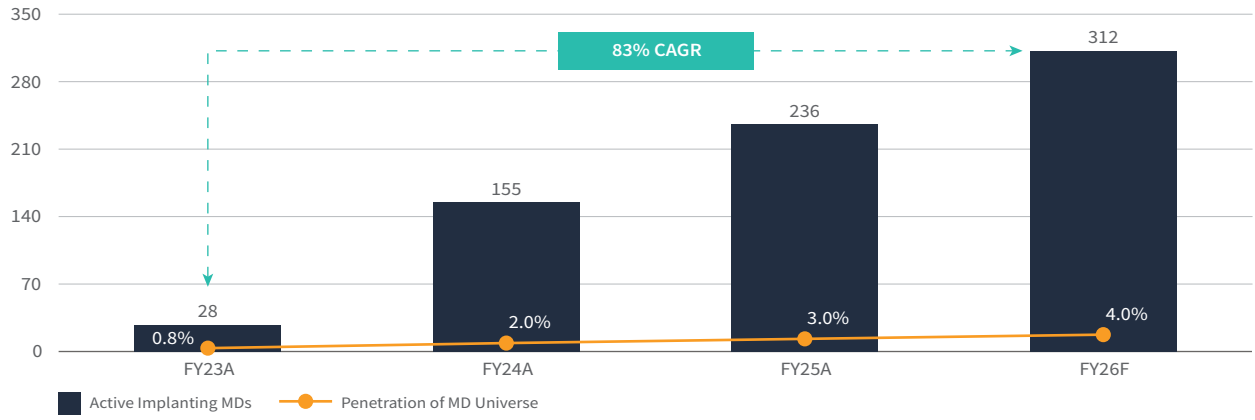
(c) Average number of active implanting physicians (MDs)

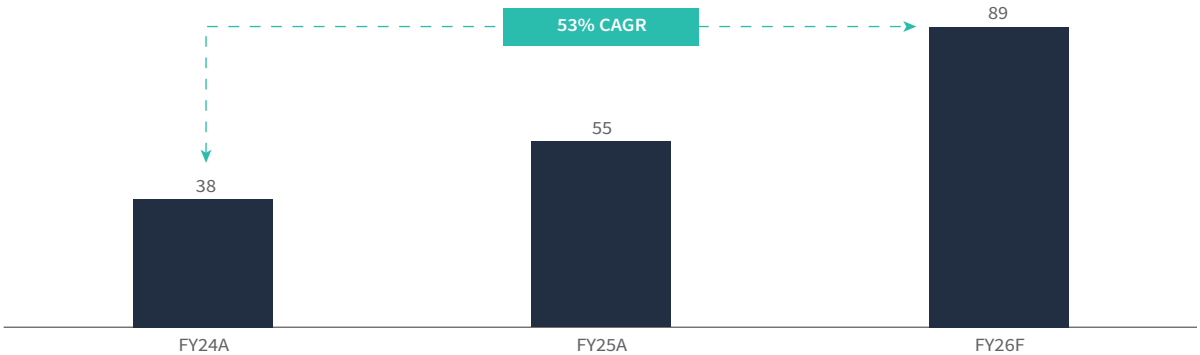
Figure 5.3: US Average Number of Active Implanting physicians



The average number of active implanting physicians represents an average of the preceding four quarters, taking into account the number of physicians who had performed at least one implant in each respective quarter. The year over year growth in the average number of active implanting physicians is in line with the business growth reflected in revenue as Saluda has increased their funnel of physicians through additional pricing agreements with hospitals as part of its U.S. commercial launch of the Evoke System and onboarding additional sales representatives who have expanded their relationship with a wider physician base. Based on insurance claims data, Saluda believe that as at FY25, the 236 Active Implanting physicians represents 3.0% share of the ~ 7,800 physicians that have performed at least one SCS trial or permanent implant over the prior twelve-month period.

(d) Total number of sales representatives at period end and average number of trained representatives over the period

Figure 5.4: Growth in average number of U.S. Fully Trained Representatives



Overall, the number of sales representatives has grown over the Historical Period as Saluda executed its U.S. commercial launch plans and focused on recruiting sales representatives to support the U.S. commercial expansion. The number of sales representatives is forecast to grow in FY26F as Saluda continues its U.S. commercial expansion plans which will support covering additional territories in the U.S. not previously targeted as well as optimising the size of the Group's existing territories.

The sales representatives undergo a period of training after joining focused on training on the technology and sales processes, after which they are considered to be trained representatives and receive a sales target which impacts the amount of compensation they earn. The average number of trained representatives over the Historical Period has increased as sales representatives complete their training programs offset by some turnover requiring the hire of replacement sales representatives that begin their own training process. Recently, management have created a shorter and more focused training program. The accelerated training period is designed to ensure sales representatives are better equipped and are

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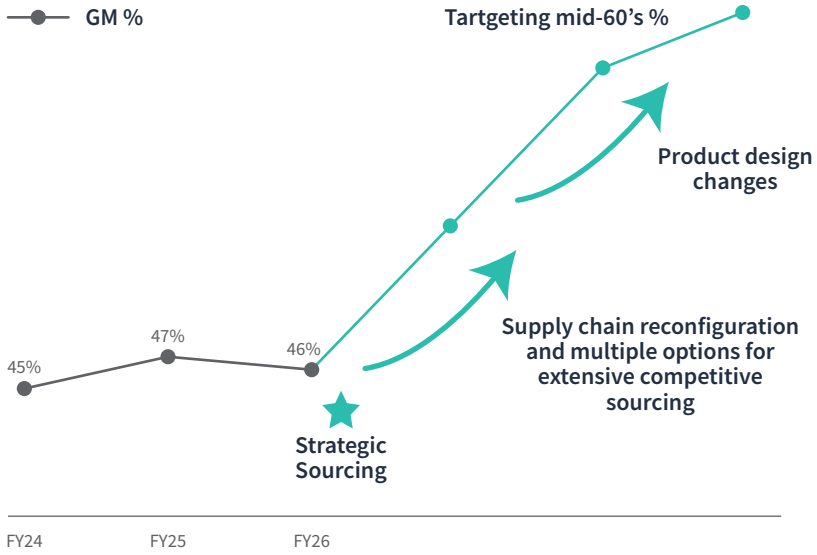
more effective upon reaching trained status, thereby supporting the forecast performance uplift. The average trained representatives are forecasted to increase by approximately 62% from 55 to 89 over the course of FY26 as many of the current sales representatives and planned new representatives complete their training programs.

Average revenue per trained representative increased slightly in FY25 with Saluda covering 50 sales territories representing less than approximately 30% of the U.S. market. This is forecasted to decrease in FY26 as the increase in number of trained sales representatives is forecasted to outpace the growth in revenue. This results in a reduction in the average revenue per trained sales representative as these new representatives begin building their customer base and increasing the number of physicians using the Evoke System and the share of those physicians' spinal cord stimulation business.

In the future, the Company is targeting productivity levels of up to US$1.6 million in annual revenues per sales representative, higher than the SCS industry benchmark of approximately US$1 million per sales representative. The Company believe this is achievable given the lower reprogramming burden on its sales team (see Section 3.4.4).

5.7.3 Gross Margin

Figure 5.5: Cost of Goods sold and Gross Margin %



Note: Financial periods beyond FY26 have not been covered as part of Investigating Accountants' Review.

Cost of goods sold have increased on an absolute basis in line with increase in revenue across the Historical Period. This consists of acquisition costs for components of the Evoke System, overhead costs, scrap and inventory obsolescence, warranty replacement costs as well as certain logistic related costs. Saluda outsourced its lead and IPG manufacturing during the Historical Period. Certain smaller components are manufactured in house.

The increase in gross margin % in FY24 compared to FY23 was due to the introduction of a new IPG with a lower unit cost, volume related price breaks, geographic mix, and a higher obsolescence charge in FY23. Thereafter, the margin is forecasted to remain largely consistent with a slight decrease of 0.7% to 45.9% in FY26F, as some increase in margin from the full launch of the lower cost IPG and geographic mix offset by planned reduction in revenue per patient.

Saluda believes it has an executable pathway to achieve ~ 65% gross margin over the next 24-36 month horizon. The gross margin expansion strategy is focused on hardware, wherein many SCS hardware components are commoditised.

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5.7.4 Operating expenses

Table 8 Historical and forecast operating expenses

PRO FORMA	HISTORICAL			FORECAST
$000's	FY23	FY24	FY25	FY26F
Selling, marketing and distribution	(42,651)	(68,469)	(75,762)	(90,986)
Research & development	(26,888)	(28,435)	(32,905)	(32,260)
General & administrative	(20,461)	(21,609)	(28,111)	(31,648)
Stock based compensation	(6,261)	(3,736)	(14,029)	(20,297)
Total expenses	**(96,261)**	**(122,250)**	**(150,807)**	**(175,191)**

(a) Selling, marketing and distribution

Selling, marketing and distribution expenses increased year over year in FY24 and FY25 and is forecast to continue to increase in FY26, primarily reflecting an increase in personnel-related expenses, including additional U.S. sales force in support of continued U.S. commercial launch. Apart from this, increase is also attributable to heightened travel and commercial support in line with increase in sales headcount, including higher training and conference related expense.

(b) Research and development

Research and development movement is primarily driven by increases in product development and product testing costs related to several updates to the Company's product portfolio across leads, IPGs and other accessories. Research and development expense in the FY26F period is expected to be consistent with FY25 and include spend supporting the ongoing new smaller IPG project and a new lower cost lead project.

(c) General and administrative

General and administrative expenses did not increase notably in FY24. However, increase in FY25 is largely driven by an increase in consulting and professional services fees incurred in connection with corporate governance, employee related matters and restructuring. Apart from this, general & administrative expenses also comprises insurance, bank fees, IT related consulting fees, software and licenses.

5. Financial Information continued

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5.8 HISTORICAL AND FORECAST CASH FLOWS

The table below sets out a summary of Saluda's Statutory Historical Cash Flow for FY23, FY24 and FY25 and Pro Forma Forecast Cash Flow for FY26F.

Table 9 Statutory cash flows

PRO FORMA $000's	NOTE	FY23	FY24	FY25	FY26F
Reported NLAT		**(92,164)**	**(97,827)**	**(149,302)**	**(150,060)**
Changes in Net Working Capital		(5,313)	(5,722)	(12,324)	2,704
Add back of non-cash items		12,437	10,506	43,916	23,455
Tax provision		(616)	(273)	(529)	–
Operating Cash Flow	1	**(85,656)**	**(93,316)**	**(118,239)**	**(123,901)**
Capital Expenditure	2	(2,374)	(1,083)	(1,272)	(832)
Investing Cash Flow		**(2,374)**	**(1,083)**	**(1,272)**	**(832)**
Proceeds from issuance of common stock to employees on exercise of options		122	26	94	–
Proceeds from Preferred Stock, net of issuance costs (Payments of issuance costs)		143,707	(310)	(206)	–
Payment of deferred offering costs		–	–	(1,381)	–
Proceeds from Perceptive Term Loan and Warrant, net of issuance costs to lender		–	–	73,680	–
Payments of issuance costs to third-parties on term loan		–	–	(1,949)	–
Proceeds from convertible notes, net of issuance costs		–	–	99,153	–
Proceeds from issue of Ordinary shares		–	–	–	155,724
Financing Cash Flow	3	**143,829**	**(284)**	**97,938**	**155,724**
Effects of exchange rate on cash		**(691)**	**(263)**	**4,278**	**–**
Net cash flows		**55,107**	**(94,946)**	**(17,294)**	**30,991**
Cash at the beginning of the period		*111,635*	*166,742*	*71,794*	*54,500*
Closing cash		**166,742**	**71,794**	**54,500**	**85,491**

Notes:

1. Operating cash flows primarily include purchases for inventory which had increased in FY25A supporting the growth in revenue and an overall increase in the amount of inventory related safety stock on hand. Further, the movement in debtors has also had a notable impact on working capital in line with Saluda's expansion.
2. Investing cash flows relate solely to purchase of property and equipment which has been minimal given the minimal amount of internal manufacturing performed.
3. Financing cash flows relate to inflows from issuance of Preferred Stock in FY23A amounting to $143.7 million, net of issuance costs. In FY25A cash flows relate to repayment of the Covidien Term Loan with proceeds of the Perceptive Term Loan and proceeds from convertible notes issued in Jan 2025 which will convert to common stock as part of the Bridge Financing. In FY26F, financing cash flows pertains to funds raised from issue of common stock as part of the Bridge Financing ($15 million) and the Offer net of offer costs ($140.7 million).

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5.9 STATUTORY AND PRO FORMA HISTORICAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The table below sets out the Statutory Historical Statement of Financial Position and the pro forma adjustments that have been made to present the Pro Forma Historical Statement of Financial Position of Saluda as at 30 June 2025.

These adjustments reflect the impact of the Offer and transaction costs as if they had occurred on 30 June 2025.

The Pro Forma Historical Statement of Financial Position is therefore provided for illustrative purposes only and is not necessarily representative of Saluda's view on its future financial position.

Further information on the sources and uses of funds of the Offer is contained in Sections 1.9 and 8.4.

Table 10 Pro forma statement of financial position as at 30 June 2025

$000's	NOTE	AUDITED 30 JUNE 2025	PRO FORMA ADJUSTMENTS	PRO FORMA
Current Assets				
Cash and cash equivalents	1,2,5,6	54,500	122,066	176,566
Trade receivables		12,639	–	12,639
Inventory		43,333	–	43,333
Other assets		6,844	–	6,844
Total current assets		**117,316**	**122,066**	**239,382**
Non-current assets				
Long term inventories		2,316	–	2,316
Property, plant and equipment		4,859	–	4,859
ROU asset		3,467	–	3,467
Other non current assets		707	–	707
Total non-current assets		**11,349**	**–**	**11,349**
Total assets		**128,665**	**122,066**	**250,731**
Current liabilities				
Trade and other payables		(25,904)	–	(25,904)
Current lease liabilities		(1,122)	–	(1,122)
Borrowings – current	3	(129,836)	129,836	–
Total current liabilities		**(156,862)**	**129,836**	**(27,026)**
Non-current liabilities				
Long term debt		(71,392)	–	(71,392)
Operating lease liabilities		(2,766)	–	(2,766)
Warrant liability		(1,300)	–	(1,300)
Other long term liabilities		(1,888)	–	(1,888)
Total non-current liabilities		**(77,346)**	**–**	**(77,346)**
Total liabilities		**(234,208)**	**129,836**	**(104,372)**
Net (liabilities)/assets		**(105,543)**	**251,902**	**146,359**
Equity				
Issued capital	2,3,4,5,6	86,542	671,417	757,959
Preferred stock	4	385,657	(385,657)	–
Retained earnings	1,6	(577,742)	(33,858)	(611,600)
Total equity		**(105,543)**	**251,902**	**146,359**

5. Financial Information continued

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Notes:

1. Operating cash burn of $33.6m for Q1FY26, per the forecast cash flow.
2. Bridge Financing from a syndicate amounting to $15 million to cover the operational funding requirements prior to the Offer in light of operating cash burn as highlighted above, as an equity settlement and issue of common stock.
3. Conversion of convertible notes including accrued interest.
4. Conversion of preferred stock upon receipt of Bridge Financing.
5. Capital raise amounting to US$150 million, representing approx. 8.7 million/approx. 87.1 million CDIs @ $26.44 per share/$2.65 per CDI.
6. Expenses associated with the completion of the Offer is estimated at $9.3 million, of which $0.2m is to be charged to the P&L and $9.1 is to be set off against equity.

Table 11 Pro forma capital structure

$'000	NO. OF SHARES	NO. OF CDIs	COMMON STOCK	REDEEMABLE PREFERRED STOCK	ACCUMULATED DEFICIT	NET ASSETS
Common stock as at 30 June 2025	604,302	6,043,020	86,542	385,657	(577,742)	(105,543)
Pro forma adjustments						
Operating cash burn – Q1FY26					(33,658)	(33,658)
Bridge Financing equity round Oct 2025	882,702	8,827,020	15,000			
Conversion of preference stock into common stock	13,015,104	130,151,040	385,657	(385,657)		–
Conversion of con. Notes into common stock	1,992,000	19,920,000	129,836			129,836
Subtotal	**16,494,108**	**164,941,080**	**617,035**	**–**	**(611,400)**	**5,635**
Pro forma transactions in relation to the Offer						
The Offer	8,706,273	87,082,730	150,000			150,000
Offer costs			(9,076)		(200)	(9,276)
Total	**25,202,381**	**252,023,810**	**757,959**	**–**	**(611,600)**	**146,359**

(a) Liquidity and capital resources

Saluda's principal sources of liquidity are cash on hand, cash from equity issuances and committed debt facilities.

Saluda's main uses of cash are to fund its operations, working capital, Capital Expenditure, interest payments, principal repayments and payment of tax. Saluda expects that it will have sufficient cash flow from operations to meet its business needs during the forecast period and will have sufficient working capital to carry out its stated objectives.

Saluda's ability to generate sufficient cash from operations depends on its future performance which, to a certain extent, is subject to a number of factors beyond its control, including general economic, financial and competitive outcomes.

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(b) Indebtedness

The table below sets out the indebtedness of Saluda as at 30 June 2025, before and having adjusted for the pro forma impact of the Offer.

Table 12 Indebtedness and proforma adjustment for impact of Offer

$ MILLIONS	STATUTORY 30-JUN-2025	PRO FORMA ADJUSTMENTS	PRO FORMA 30-JUN-25
Loans and borrowings			
Borrowings	(71,392)	–	(71,392)
Convertible notes	(129,836)	129,836	–
Gross total indebtedness	**(201,228)**	**129,836**	**(71,392)**
Cash and cash equivalents	54,500	122,066	176,566
Net total indebtedness	**(146,728)**	**251,902**	**105,174**

(c) Summary Banking Facilities

As at the date of this Prospectus, Saluda has the following financing facility with Perceptive Credit Holdings IV, LP (**Perceptive Term Loan**).

Table 13 Overview of Perceptive Term Loan

FINANCIER	NAME	FACILITY TYPE	FACILITY LIMIT	DRAWN AMOUNT	MATURITY
Perceptive Credit Holdings IV, LP	Perceptive Term Loan	Senior secured, delayed-draw term loan	$125M	$75M	14 March 2030

The above Perceptive Term Loan is subject to the following financial covenants:

Table 14 Financial covenants

NAME	COVENANT	COVENANT LIMITS
Perceptive Term Loan	Minimum liquidity	$5M in Controlled Accounts
	Minimum revenue	Certain trailing six-month revenue targets

5.10 SENSITIVITY ANALYSIS

The Forecast Financial Information is based on a number of estimates and assumptions that are subject to business, economic and competitive uncertainties, many of which are beyond the control of Saluda, its Directors and management, and dependent on assumptions with respect to future business developments, which are subject to change.

Investors should be aware that future events cannot be predicted with certainty and as a result, deviations from the figures forecast in this Prospectus are to be expected. To assist investors in assessing the impact of these assumptions on the FY26F forecasts, set out in the table below is a summary of the sensitivity of certain Forecast Financial Information to changes in a number of key variables.

The changes in the key variables as set out in the sensitivity analysis are not intended to be indicative of the complete range of variations that may be experienced. For the purposes of the analysis below, the effect of the changes in key assumptions on the FY26F pro forma NLAT of $(145.5) million is presented. The potential changes in the FY26F pro forma NLAT are for the forecast results for the 12 months ending 30 June 2026.

The sensitivity analysis is intended as a guide only and variations on actual performance could exceed the ranges shown.

Care should be taken in interpreting these sensitivities. The estimated impact of the changes in each of the variables has been calculated in isolation from changes in other variables, in order to illustrate the likely impact on the forecast. In practice, changes in variables may offset each other or be additive, and it is likely that Saluda management would respond to any adverse change in one variable by seeking to minimise the net effect on Saluda's NLAT. The effect of movements in some variables may be non-linear, such that the effect of a movement of 10% in a variable may not be simply 10 times the effect of a movement of 1% in the variable.

5. Financial Information continued

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Table 15 Sensitivity analysis

		IMPACT ON FY26F PRO FORMA			IMPACT ON FY26F PRO FORMA NLAT		
FY26F		BASE $'000	IMPACT $'000	SENSITIVITY $'000	BASE $'000	IMPACT $'000	SENSITIVITY $'000
+5%	Revenue	81,883	4,094	85,977	(145,528)	2,216	(143,312)
-5%	Revenue	81,883	(4,094)	77,789	(145,528)	(2,216)	(147,744)
+5%	Gross Margin				(145,528)	4,094	(141,434)
-5%	Gross Margin				(145,528)	(4,094)	(149,623)
+5%	Operating expenses[1]				(145,528)	(8,911)	(154,515)
-5%	Operating expenses[1]				(145,528)	8,911	(136,542)

Note:

1. Including stock-based compensation.

5.11 FINANCIAL RISK MANAGEMENT FRAMEWORK

Saluda's business activities expose it to several financial risks including market risk (interest rate risk), liquidity risk and credit risk.

Saluda manages financial risk through Board approved policies and procedures. These specify the responsibility of the Board of Directors and senior management regarding the management of financial risk. Financial risk is managed by Saluda's subsidiary management teams under the direction of the Board of Directors. The subsidiaries manage risk exposures primarily through delegated authority limits and defined measures. Exposure to any of these financial risks are monitored and reported to the subsidiary Directors.

Saluda does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

5.11.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial asset or financial liability will change as a result of changes in market interest rates. Saluda is exposed to interest rate risk as it borrows at floating interest rates and adverse movements in floating interest rates will increase the cost of floating rate debt. Saluda's exposure to market interest rates relates primarily to its long-term debt. All interest rate exposures are identified, quantified, monitored and managed centrally by Saluda's corporate services team.

5.11.2 Liquidity risk

Liquidity risk is the risk that Saluda will not have sufficient funds to meet its financial commitments as and when they fall due.

Liquidity risk management involves maintaining available funding and ensuring the consolidated entity has access to an adequate amount of committed credit facilities. Saluda's objective is to maintain a balance between continuity of funding and flexibility through the use of term loans, short term debt funding and finance leases.

The finance team manages liquidity risk through regular cash flow forecasting and analysis. Saluda expects to have a $125 million five-year term loan facility, with $75 million drawn at Completion of the Offer and pro forma cash on hand of $176.6 million as at 30 June 2025, which will be available to fund working capital and expansion requirements.

5.11.3 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to Saluda.

Saluda is exposed to counterparty credit risk arising from its operating activities (primarily customer receivables) and financing activities, including deposits with banks and financial institutions, and other financial instruments. The maximum exposure to credit risk arising from potential default of the counterparty is equal to the carrying amount of the financial assets.

Credit risks related to balances with banks and financial institutions are managed by Saluda's corporate services team in accordance with approved policies.

Trade receivables consist of receivables from corporations. All balances are monitored regularly with the result that Saluda's exposure to credit losses to date has been negligible.

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5.12 U.S. GAAP TO IFRS RECONCILIATION

The Historical Consolidated Financial Information contained in this Prospectus has been prepared in accordance with U.S. GAAP which is different to International Financial Reporting Standards (**IFRS**), the accounting principles generally accepted in Australia. The Company intends to apply for relief from ASIC so that it is not required to prepare financial statements in accordance with IFRS. The Company presently intends to continue to report in U.S. GAAP but if relief is not obtained, financial information will only be prepared under IFRS to supplement the financial information prepared under U.S. GAAP. Saluda expects to receive a confirmation from ASX that the Company may solely report in U.S. GAAP once listed on the ASX (and the audit of those financial reports may be conducted in accordance with US auditing standards) (consistent with section 3.6 of ASX Guidance Note 4).

The Directors have reviewed the differences between U.S. GAAP and IFRS applicable to the Company and also which are considered relevant to potential investors. Accordingly, although historically the recognition and measurement of the convertible notes would have been different under IFRS compared to U.S. GAAP, as these instruments all convert to Shares prior to Listing, the Directors do not consider these differences relevant to potential investors under the Offer.

Therefore, the Directors have identified the following material difference relevant to potential investors under the Offer relating to the Pro Forma Historical Consolidated Income Statement for FY23, FY24 and FY25.

Table 16 Reconciliation of Pro Forma Historical Consolidated Income Statement

USD $'000	JUN-25
Net assets as at 30 June 2025 – U.S. GAAP	**(105,541)**
GAAP adjustments	
Right of use assets	(3,467)
Lease liabilities	3,888
Warrant liability	800
Net reported liabilities – IFRS (pre AASB16)	**(104,320)**

USD $'000	FY23	FY24	FY25
Statutory NLAT – U.S. GAAP	(92,164)	(97,827)	(149,302)
GAAP adjustments			
Leases	93	172	(32)
Income tax expense	615	18	(164)
Reported NLAT – IFRS	(91,456)	(97,637)	(149,496)

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6. Investigating Accountant's Report

6. Investigating Accountant's Report

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Grant Thornton

Board of Directors
Saluda Medical Inc.
9401 James Avenue S Suite 132
Bloomington MN 55431
United States of America

Grant Thornton Corporate Finance Pty Ltd
Grosvenor Place
Level 26
225 George Street
Sydney NSW 2000

5 November 2025

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT AND FINANCIAL SERVICES GUIDE

Introduction

This report has been prepared at the request of the directors of Saluda Medical Inc. and its controlled entities ("Saluda" or "the Group") for inclusion in the Prospectus dated on or around 7 November 2025 (the "Prospectus") in respect of the initial public offering of CHESS Depository Interests ("CDIs") in Saluda ("the Offer") and admission to the Australian Securities Exchange.

Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton Corporate Finance") holds an Australian Financial Services Licence (AFS Licence Number 247140). This report is both an Independent Limited Assurance Report, the scope of which is set out below, and a Financial Services Guide, as attached at **Appendix A**.

Expressions defined in the Prospectus have the same meaning in this report, unless otherwise specified.

Scope

Grant Thornton Corporate Finance has been engaged by the Directors to perform a limited assurance engagement in relation to the following statutory and pro forma financial information of Saluda included in Section 5 of the Prospectus:

Statutory Historical Financial Information

- The statutory consolidated historical income statements for the year ended 30 June 2023 ("FY23"), year ended 30 June 2024 ("FY24") and year ended 30 June 2025 ("FY25") - which are included in Section 5.3 of the Prospectus;
- The statutory consolidated historical statement of financial position as at 30 June 2025 - which is included in Section 5.9 of the Prospectus; and
- The statutory consolidated historical statement of cash flows for FY23, FY24 and FY25 - which are included in Section 5.8 of the Prospectus.

(together the "**Statutory Historical Financial Information**").

Grant Thornton Corporate Finance Pty Ltd ABN 59 003 265 987 ACN 003 265 987 (holder of Australian Financial Services Licence No. 247140), a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127556 389. 'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation.

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Pro Forma Historical Financial Information

- The pro forma consolidated historical income statements for FY23, FY24 and FY25 - which are included in Section 5.3 of the Prospectus; together with a reconciliation to the Statutory Historical Financial Information which is included in Section 5.4 of the Prospectus; and
- The pro forma consolidated historical statement of financial position as at 30 June 2025 and the pro forma adjustments applied as at that date - which is included in Section 5.9 of the Prospectus.

(together the "**Pro Forma Historical Financial Information**").

(Collectively the Statutory Historical Financial Information and Pro Forma Historical Financial Information is referred to as the "Historical Financial Information")

The Historical Financial Information is presented in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001 (Cth).

The Historical Financial Information has been prepared for inclusion in the Prospectus and have been derived from the audited financial statements of Saluda Medical Inc. for FY23, FY24 and FY25. The consolidated financial statements of Saluda Medical Inc. were audited by Grant Thornton Audit Pty Ltd in accordance with Australian Auditing Standards for FY23 and FY24 and by Grant Thornton LLP for FY25, in accordance with Auditing Standards Board (ASB). The audit opinions issued to the Directors in respect of FY23, FY24, and FY25 were unmodified, but included an emphasis of matter regarding Saluda's ability to continue as a going concern.

As set out in Section 5.2 of the Prospectus, the financial information contained in the Prospectus has been prepared in accordance with accounting principles generally accepted in the United States of America ("USGAAP"), which is different to AIFRS, the accounting principles generally accepted in Australia.

The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information after adjusting for the effects of the pro forma adjustments described in Section 5.4 and 5.9 of the Prospectus (the "Pro Forma Adjustments").The stated basis of preparation is the recognition and measurement principles contained in USGAAP, and the Group's adopted accounting policies applied to the Pro Forma Adjustments as if those events or transactions had occurred as at the date of the Statutory Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Group's actual or prospective financial position or financial performance.

Statutory Forecast Financial Information

- the statutory consolidated forecast income statement for the year ending 30 June 2026 ("FY26F") - which is included in Section 5.3 of the Prospectus; and
- the statutory consolidated forecast cash flows for FY26F - which is included in Section 5.8 of the Prospectus.

(together the "**Statutory Forecast Financial Information**").

Pro Forma Forecast Financial Information

- The pro forma consolidated forecast income statement for FY26F - which is included in Section 5.3 of the Prospectus; together with a reconciliation to the statutory forecast income statement, which is included in Section 5.4 of the Prospectus.

(together the "**Pro forma Forecast Financial Information**").

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(Collectively the Statutory Forecast Financial Information and Pro Forma Forecast Financial Information is referred to as the "Forecast Financial Information")

The Directors' best estimate assumptions underlying the Forecast Financial Information are described in Sections 5.6 of the Prospectus. The stated basis of preparation used in the preparation of the Forecast Financial Information is the recognition and measurement principles contained in USGAAP and the Group's adopted accounting policies.

The Forecast Financial Information has been prepared by management and adopted by the Directors in order to provide prospective investors with a guide to the potential financial performance of the Group for FY26. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Forecast Financial Information since anticipated events or transactions frequently do not occur as expected and the variations may be material.

The Directors' best estimate assumptions on which the Forecast Financial Information is based relate to future events and/or transactions that management expect to occur and actions that management expect to take, and are also subject to uncertainties and contingencies, which are often outside the control of the Group. Evidence may be available to support the assumptions on which the Forecast Financial Information is based, however such evidence is generally future orientated and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the Directors' best estimate assumptions. We do not express any opinion on the achievability of the results. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Group, which are detailed in Section 4 of the Prospectus, and the inherent uncertainty relating to the prospective financial information. Accordingly prospective investors should have regard to the investment risks set out in Section 4 of the Prospectus and sensitivities set out in Section 5.10 of the Prospectus. The sensitivity analysis set out in Section 5.10 of the Prospectus demonstrates an illustrative example of the potential impacts on the Forecast Financial Information of changes in key income statement items (such as revenue, gross margin and operating expenses). The Forecast Financial Information is therefore only indicative of the financial performance, which may be achievable. We express no opinion as to whether the Forecast Financial Information will be achieved.

Directors' Responsibility

The Directors are responsible for:

- the preparation and presentation of the Historical Financial Information including the selection and determination of the pro forma adjustments made to the Statutory Historical Financial Information and included in the Pro Forma Historical Financial Information;
- the preparation of the Forecast Financial Information, including the best estimate assumptions underlying the Forecast Financial Information and the selection and determination of the pro forma adjustments made to the Statutory Forecast Financial Information and included in the Pro Forma Forecast Financial Information; and
- the information contained within the Prospectus.

This responsibility includes for the operation of such internal controls as the Directors determine are necessary to enable the preparation of the Statutory Historical Financial Information, Pro Forma Historical Financial Information and Forecast Financial Information that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information, Pro Forma Historical Financial Information, Statutory Forecast Financial Information and Pro Forma Forecast Financial information, based on the procedures performed and evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance

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Engagements ASAE 3450: "*Assurance Engagements involving Corporate Fundraisings and/ or Prospective Financial Information".*

A limited assurance engagement consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we will not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report of the Group used as a source of the financial information.

We have performed the following procedures as we, in our professional judgement, considered reasonable in the circumstances.

Historical Financial Information

- consideration of work papers, accounting records and other documents, including those dealing with the extraction of the Statutory Historical Financial Information from the audited financial statements of the Group covering FY23, FY24 and FY25;
- consideration of the appropriateness of the pro forma adjustments described in Section 5.4 and 5.9 of the Prospectus;
- enquiry of the Directors, management and others in relation to the Statutory Historical Financial Information and Pro Forma Historical Financial Information;
- analytical procedures applied to the Statutory Historical Financial Information and Pro Forma Historical Financial Information;
- a review of the work papers, accounting records and other documents of the Group and its auditors; and
- a review of the consistency of the application of the stated basis of preparation and adopted accounting policies as described in the Prospectus used in the preparation of the Statutory Historical Financial Information and Pro Forma Historical Financial Information.

Forecast Financial Information

- enquiries, including discussions with management and Directors of the factors considered in determining the assumptions used in the preparation of the Forecast Financial Information;
- analytical and other review procedures we considered necessary including examination, on a test basis, of evidence supporting the assumptions, amounts and other disclosures in the Forecast Financial Information;
- review of the accounting policies adopted and used in the preparation of the Forecast Financial Information; and
  consideration of the pro forma adjustments applied to the Statutory Forecast Financial Information in preparing the Pro Forma Forecast Financial Information.

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdiction outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

We have assumed and relied on representations from certain members of management of the Group, that all material information concerning the prospects and proposed operations of the Group has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

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Conclusion

Statutory Historical Financial Information and Pro Forma Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Historical Financial Information and Pro forma Historical Financial Information are not presented fairly, in all material respects, in accordance with the stated basis of preparation and the pro forma adjustments as described in Section 5.4 and Section 5.9 of the Prospectus.

Statutory Forecast Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that:

i. the Directors' best estimate assumptions used in the preparation of the Statutory Forecast Financial Information do not provide reasonable grounds for the Statutory Forecast Financial Information;

ii. in all material respects, the Statutory Forecast Financial Information:

   a. is not prepared on the basis of the Directors' best estimate assumptions as described in Sections 5.6 of the Prospectus;

   b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Group and the recognition and measurement principles in conformity with USGAAP; and

iii. the Statutory Forecast Financial Information itself is unreasonable.

Pro Forma Forecast Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that:

i. the Directors' best estimate assumptions used in the preparation of the Pro Forma Forecast Financial Information do not provide reasonable grounds for the Pro Forma Forecast Financial Information;

ii. in all material respects, the Pro Forma Forecast Financial Information:

   a. is not prepared on the basis of the Directors' best estimate assumptions as described in Section 5.6 of the Prospectus;

   b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Group and the recognition and measurement principles in conformity with USGAAP, applied to the Statutory Forecast Financial Information and the Pro Forma Adjustments as if those adjustments had occurred prior to 30 June 2025; and

iii. the Pro Forma Forecast Financial Information itself is unreasonable.

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Notice to investors outside Australia

Under the terms of our engagement, this report has been prepared solely to comply with the requirements applicable to a review engagement under ASAE 3450.

This report does not constitute an offer to sell, or a solicitation to offer to buy any securities. We do not hold any financial services license outside Australia.

Restriction on Use

Without modifying our conclusion, we draw your attention to Section 5.2 of the Prospectus which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, this Independent Limited Assurance Report may not be suitable for another purpose.

Consent

Grant Thornton Corporate Finance consents to the inclusion of this Independent Limited Assurance Report in the Prospectus in the form and context in which it is included.

Liability

The liability of Grant Thornton Corporate Finance is limited to the inclusion of this report in the Prospectus. Grant Thornton Corporate Finance makes no representation regarding, and has no liability, for any other statements or other material in, or omissions from the Prospectus.

Independence or Disclosure of Interest

Grant Thornton Corporate Finance does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Grant Thornton Corporate Finance will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Yours faithfully,

GRANT THORNTON CORPORATE FINANCE PTY LTD





Neil Cooke
Partner

Nithya Gopalakrishnan
Partner

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Appendix A (Financial Services Guide)

This Financial Services Guide is dated 5 November 2025

1 About us

Grant Thornton Corporate Finance Pty Ltd (ABN 59 003 265 987, Australian Financial Services Licence no 247140) (Grant Thornton Corporate Finance) has been engaged by Saluda Medical Inc. ("Saluda" or "the Group") to provide a report in the form of an Independent Limited Assurance Report (the "Report") for inclusion in a Prospectus dated on or about 7 November 2025 (the "Prospectus") relating to the in respect of the initial public offering of CHESS Depository Interests ("CDIs") in Saluda ("the Offer") and admission to the Australian Securities Exchange. You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

2 This Financial Services Guide

This Financial Services Guide (FSG) is designed to assist retail clients in their use of any general financial product advice contained in the Report. This FSG contains information about Grant Thornton Corporate Finance generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the Report, and how complaints against us will be dealt with.

3 Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities and superannuation products and deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of securities and superannuation products.

4 General financial product advice

The Report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

5 Fees, commissions and other benefits we may receive

Grant Thornton Corporate Finance charges fees to produce reports, including the Report. These fees are negotiated and agreed with the entity which engages Grant Thornton Corporate Finance to provide a

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report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this Report, Grant Thornton Corporate Finance will receive from the Company a fee of $314,000 (excluding GST and time costs), which is based on commercial rates plus reimbursement of out-of-pocket expenses.

Partners, Directors, employees or associates of Grant Thornton Corporate Finance, or its related bodies corporate, may receive dividends, salary or wages from Grant Thornton Australia Ltd.

None of those persons or entities receive non-monetary benefits in respect of, or that is attributable to, the provision of the services described in this FSG.

6 Referrals

Grant Thornton Corporate Finance - including its Partners, Directors, employees, associates and related bodies corporate - does not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

7 Associations with issuers of financial products

Grant Thornton Corporate Finance and its Partners, Directors, employees or associates and related bodies corporate may from time to time have associations or relationships with the issuers of financial products. For example, Grant Thornton Australia Ltd may be the auditor of, or provide financial services to the issuer of a financial product and Grant Thornton Corporate Finance may provide financial services to the issuer of a financial product in the ordinary course of its business.

In the context of the Report, Grant Thornton Corporate Finance considers that there are no such associations or relationships which influence in any way the services described in this FSG.

8 Independence

Grant Thornton Corporate Finance is required to be independent of Saluda in order to provide this Report. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this Report, and have not had within the previous two years, any shareholding in or other relationship with Saluda (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Offer.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Offer, other than the preparation of this Report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this Report. This fee is not contingent on the outcome of the Offer. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the Report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this Report.

9 Complaints

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Complaints Authority (AFCA) (membership no. 11800). All complaints must be in writing and addressed to the Head of Corporate Finance at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to AFCA who can be contacted at:

Australian Financial Complaints Authority

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GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 931 678 (free call)

Email: info@afca.org.au

Grant Thornton Corporate Finance is only responsible for the Report and FSG. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

10 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

11 Contact Details

Grant Thornton Corporate Finance can be contacted by sending a letter to the following address:

Head of Corporate Finance

Grant Thornton Corporate Finance Pty Ltd

Level 26 Grosvenor Place, 225 George Street

Sydney, NSW, 2000

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7. Board, senior management and corporate governance

7. Board, senior management and corporate governance

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7.1 BOARD OF DIRECTORS

The Board of Directors of the Company will comprise the following Directors:



Douglas Godshall
Chair

Director since June 2021. (Age: 61)

Mr Godshall has served as a Director of Saluda Medical Pty Limited and subsequently the Company since June 2021 and has served as Chair since February 2022.

Mr Godshall is a seasoned executive with extensive experience founding, funding, operating, and selling medical device companies.

Since July 2024, Mr Godshall has served as chair of the board of directors of Galvanize Therapeutics, Inc, a biomedical platform company.

In addition to his role with the Company, Mr Godshall was President, CEO and a director of Shockwave Medical Inc. (**Shockwave**) (NASDAQ:SWAV), a commercial-stage cardiovascular medical device company, from May 2017 until its sale to Johnson & Johnson in May 2024.

Prior to Shockwave, from September 2006 to August 2016, Mr Godshall served as CEO of HeartWare International, Inc. (ASX:HIN and NASDAQ:HTWR), which was acquired by Medtronic plc.

Mr Godshall also previously served as a director of Eyepoint Pharmaceuticals, Inc. (NASDAQ:EYPT).

Mr Godshall received his B.A. in economics from Lafayette College and his M.B.A. from Northeastern University.



Barry J. Regan
President, CEO and Executive Director

Director since July 2025. (Age: 53)

Mr Regan has served as President and CEO of Saluda since July 2025 and is responsible for the overall management and strategic direction of Saluda.

Mr Regan has over 30 years' of experience in global operations, marketing, and executive management of both medical device and pharma/biotech companies. Prior to joining Saluda, Mr Regan served as Executive Vice President, Global Operations of Dexcom, Inc. (NASDAQ:DXCM), a medical device company (**Dexcom**). Mr Regan also served as Senior Vice President, Global Operations at Wright Medical Group N.V. (NASDAQ:WMGI) (**Wright Medical**), a global medical device company, which was acquired by Stryker Corporation.

Mr Regan has held senior roles at Smith & Nephew plc, a medical technology company, and AbbVie Inc., a global, diversified research-based biopharmaceutical company. Mr Regan worked at Abbott Laboratories, in various operations leadership positions.

Mr Regan received a Bachelor of Technology degree from the University of Limerick and an M.B.A. from the Lake Forest Graduate School of Management.

7. Board, senior management and corporate governance continued

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Geoffrey Brooke, M.B.B.S

Non-executive Director

Director since October 2020. (Age: 70)

Dr Brooke has served as a Director of Saluda Medical Pty Limited and subsequently the Company since October 2020.

Since 2020, he has served as Senior Partner of BioScience Managers Pty Limited, an international healthcare investment firm. He has over 30 years of healthcare venture capital management and investment experience.

Dr Brooke has also served as director of Cynata Therapeutics Ltd (ASX:CYP) since May 2019, where he currently serves as the non-executive chair of the board, Actinogen Medical Ltd (ASX:ACW) since March 2017, where he currently serves as non-executive chair of the board, and Acrux Ltd (ASX:ACR) since June 2016.

Dr Brooke received his M.B.A. from the Institut pour l'Etude des Methodes de Direction de l'Entreprise (now the International Institute for Management Development) in Switzerland and his M.B.B.S. from the University of Melbourne.



Robert Faulkner

Non-executive Director

Director since June 2019. (Age: 63)

Mr Faulkner has served as a Director of Saluda Medical Pty Limited and subsequently the Company since June 2019.

Since February 2008, Mr Faulkner has served as Managing Director of Redmile Group, LLC, a healthcare-focused investment firm.

Mr Faulkner has also previously served as a director of Augmedix, Inc. (NASDAQ:AUGX) and served as chair of the board of Science 37 Holdings, Inc. from October 2021 until March 2024, and as chair of the board of MedAvail Holdings, Inc. from November 2020 until February 2024.

Mr Faulkner received his B.A from Harvard College and his M.B.A. from the Tuck School of Business at Dartmouth College.



Catherine Livingstone AC

Non-executive Director

Director since January 2013. (Age: 70)

Ms Livingstone AC has served as a Director of Saluda Medical Pty Limited and subsequently the Company since January 2013.

Since December 2016, Ms Livingstone has served as Chancellor of the University of Technology Sydney.

Ms Livingstone is also the non-executive chair of Pacific National, and a non-executive director of the Australian Ballet and Quasar Satellite Technologies. She also served as a non-executive director of the Australian Design Council.

From March 2016 to August 2022, Ms Livingstone served as a director of the Commonwealth Bank of Australia (ASX:CBA) and as chair of the board from January 2017 to August 2022. From June 1994 to October 2000, Ms Livingstone served as CEO of Cochlear Limited (ASX:COH), an implantable hearing medical device company.

Ms Livingstone received her B.A. with Honors (First Class) in accounting from Macquarie University in Sydney.

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Robert Palmisano

Non-executive Director

Director since April 2022. (Age: 81)

Mr Palmisano has served as a Director of Saluda Medical Pty Limited and subsequently the Company since April 2022.

Since August 2021, Mr Palmisano has served as a director of RxSight, Inc., a commercial-stage medical technology company.

Mr Palmisano also served as chair of the board of directors and CEO of Priveterra Acquisition Corp. from December 2020 until its business combination with AEON Biopharma, Inc. (**AEON**) in July 2023. Mr. Palmisano remains a non-executive director of AEON.

From September 2011 to November 2020, Mr Palmisano served as President and CEO of Wright Medical, a global medical device company, which was acquired by Stryker Corporation.

Prior to Wright Medical, from 2008 to 2010, Mr Palmisano served as CEO of ev3 Inc., a global endovascular device company, which was acquired by Covidien plc. Prior to ev3, from 2003 to 2007, Mr Palmisano served as President and CEO of IntraLase Corp., an ophthalmic laser technology company, which was acquired by Advanced Medical Optics, Inc.

Mr Palmisano previously served as chair of the board of Avedro, Inc. from June 2014 to June 2019.

Mr Palmisano received his B.A. from Providence College and also received an honorary Doctor of Business Administration from Providence College in 2023.



Quentin Blackford

Non-executive Director (proposed)

(Age: 47)

Mr Blackford is proposed to be appointed as a Non-executive Director on the Allotment Date.

Mr Blackford has served as the President and CEO of iRhythm Technologies, Inc., a Nasdaq-listed digital healthcare solutions company focused on the advancement of cardiac care, since October 2021.

From September 2017 to September 2021, Mr Blackford held various roles, the most recent one as the COO at Dexcom.

From February 2009 to September 2017, Mr Blackford held various roles, the most recent one as the CFO at Nuvasive Inc., a medical device company for minimally invasive spine surgery. From June 1999 to September 2009, Mr Blackford was the director of finance and controller of the dental division at Zimmer Holdings, Inc., a medical device company.

Mr Blackford has served as an independent member of the board of directors of Alphatec Holdings, Inc. since October 2017 and Paragon 28, Inc. since August 2022. He is a Certified Public Accountant (inactive) and received dual B.S. degrees in Accounting and Business Administration from Grace College.

The composition of the Board committees is set out in Section 7.8.2.

Each Director has confirmed that they anticipate that they will have sufficient time to fulfil their responsibilities as a Non-executive Director or executive Director (and employee), as the case may be, of Saluda.

The Chair and each Non-executive Director has advised the Company that they hold current positions with other organisations (described above). However, no Director believes that any other commitment will interfere with their availability to perform their duties as a Director of Saluda.

7. Board, senior management and corporate governance continued

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7.1.1 Independence of Directors

In considering the independence of the Directors, the Board has had regard to the factors relevant to assessing independence, as set out in the Fourth Edition of the ASX Corporate Governance Principles.

The Board considers that a Director is an independent Director where that director is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Company as a whole rather than in the interests of an individual security holder or other party. Based on this review, the Board has determined that:

- Barry J. Regan is not considered to be an independent Director due to his executive role with the Company;
- Robert Faulkner is not considered to be an independent Director as he is a Managing Director of Redmile Group, LLC, which is the investment manager and adviser of certain Redmile funds, which together have a substantial holding in Saluda; and
- Douglas Godshall, Robert Palmisano, Catherine Livingstone, Geoffrey Brooke and Quentin Blackford (proposed Director) are considered to be independent Directors.

7.1.2 Classes of Directors

Upon Listing, the Board will be divided into three classes of Directors with staggered three-year terms. At each annual meeting of Shareholders commencing with the 2026 meeting, the Directors whose term then expires will be eligible for re-election to serve for a three-year term (i.e. until the third annual meeting following their re-election).

The Directors will be divided into three classes as follows:

DIRECTOR	CLASS	EXPIRATION OF TERM
Robert Faulkner Geoffrey Brooke	Class I	2026 annual meeting
Robert Palmisano Catherine Livingstone	Class II	2027 annual meeting
Dougals Godshall Quentin Blackford (proposed) Barry J. Regan	Class III	2028 annual meeting

7.2 KEY MANAGERS

Saluda's management team is as follows:



Barry J. Regan

President, CEO and Executive Director

See Section 7.1 above.



James Erickson

Chief Financial Officer (CFO)

Mr Erickson has served as CFO of Saluda since November 2023.

Mr Erickson has over 20 years of experience in senior and executive positions in finance, operations and administration with 18 years in medical device and technology companies

From November 2015 to November 2023, Mr Erickson served as CFO of Monteris Medical Corporation, a medical device company where he oversaw accounting and finance operations and provided strategic direction and oversight. During portions of his time at Monteris, Mr. Erickson also served as Head of Supply Chain and Head of Marketing. Prior to that, from May 2007 to October 2015, Mr Erickson held various roles of increasing responsibility at Tornier N.V., a global medical device company, including Vice President, Global Controller and Vice President, Global Finance.

Following the announcement of Tornier N.V.'s merger with Wright Medical, in 2015, Mr Erickson served as Vice President, Integration and led the global Integration Management Office.

Mr Erickson received his B.B.A. in accounting from the University of Iowa.

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Michael Mathias

Chief Commercial Officer (CCO)

Mr Mathias has served as CCO of Saluda since November 2024.

From March 2024 to October 2024, Mr Mathias served as CCO of Endologix LLC, a medical equipment manufacturer. Prior to that, from December 2022 to February 2024, Mr Mathias served as Vice President of Commercial Operations of LimFlow SA, which was acquired by Inari Medical, Inc. in November 2023.

From September 2014 to October 2022, Mr Mathias held various roles of increasing responsibility at Medtronic plc, a global healthcare technology company, including Vice President of Commercial Operations, U.S. Region, Structural Heart.

Mr Mathias received his B.S. in Arabic and French studies from the United States Military Academy at West Point and his M.B.A. from the University of Minnesota.



Kristin Caplice

Chief Legal Officer (CLO) and Secretary

Ms Caplice has served as CLO and Secretary of Saluda November 2021.

From September 2018 to November 2021, Ms Caplice served as Senior Vice President, General Counsel and Global Head of Compliance for Bruker Corporation, a life science instruments and diagnostic solutions company, where she oversaw global legal operations, corporate governance, finance and compliance matters.

Ms Caplice received her B.A. in government from the University of Texas at Austin and her J.D. from Harvard Law School.



Aidan O'Sullivan

Chief Operations Officer (COO)

Mr O'Sullivan joined Saluda in October 2025 as COO.

Mr O'Sullivan has more than 25 years of progressive leadership positions in semiconductors, electronics and medical devices companies. Prior to joining Saluda, he held numerous positions within Quality and Operations at Dexcom, serving as the Vice President of US Manufacturing, Senior Vice President of Global Engineering Services and also as the Senior Vice President of Quality/Design Assurance and Customer Advocacy.

Mr. O'Sullivan also spent 15 years at Boston Scientific Corporation primarily supporting New Product Development in the Endoscopy, Urology, Cardiac Rhythm and Neuromodulation businesses most recently serving as the Vice President of Operations.

Mr. O'Sullivan received a Bachelor of Science in Applied Physics from the University of Limerick, Ireland.

Each Key Manager has confirmed that they anticipate that they will have sufficient time to fulfil their respective roles without constraint from other commitments.

7.3 DISCLOSURE

No Director or Key Manager has been the subject of (or was a director of a company that has been subject to) any legal or disciplinary action in Australia or elsewhere in the last ten years which is relevant to the performance of their role with Saluda or which is relevant to an investor's decision as to whether to subscribe for CDIs under the Offer.

No Director or Key Manager has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12 month period after they ceased to be an officer.

7. Board, senior management and corporate governance continued

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7.4 DIRECTORS AND KEY MANAGERS' INTERESTS AND BENEFITS

7.4.1 Overview

This Section sets out the nature and extent of the interests and fees of certain persons involved in the Offer and Saluda.

Other than as set out below or elsewhere in this Prospectus, no:

- no Director or proposed Director of Saluda;
- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter to the Offer or financial services licensee named in this Prospectus as a financial services licensee involved in the Offer,

holds as at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, CDIs or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such person for services in connection with the formation or promotion of the Company or the Offer or to any Director or proposed Director to induce them to become, or qualify as, a Director of the Company.

7.4.2 Employment arrangements with President and Chief Executive Officer

Mr Regan commenced his employment as President and CEO in July 2025. Details of Mr Regan's terms of employment are set out below.

TERM	DESCRIPTION
Employer	Saluda Medical Americas, Inc. (a wholly-owned subsidiary of Saluda).
Fixed remuneration	A base annual salary of US$600,000 (subject to annual review).
Annual incentives	Mr Regan is eligible to earn an annual incentive bonus at a target amount of 75% of his base salary actually paid for the year to which such annual bonus relates, which will increase to 100% following completion of the Offer. The amount payable will be based on the achievement of performance goals determined by the Board.
Equity grant	Pursuant to his employment agreement, Mr Regan was granted 90,166 Options following commencement of employment under the 2023 Plan with an exercise price of US$52.53 per Share, which vest over a period of four years from the grant date, with 25% vesting on the first anniversary of the grant date and the remainder vesting in 36 equal monthly instalments, subject to Mr Regan's continuous service with the Company as of each vesting date (**Initial CEO Grant**). Following completion of the Offer, Mr Regan will be eligible to receive an additional award of 832,247 RSUs under the 2023 Plan. The RSUs will vest as follows: one-fourth of the RSUs will vest on 1 January 2027, and the remaining RSUs will vest in twelve substantially equal instalments on each 1 March, 1 June, 1 September and 1 December thereafter, with the first such quarterly vesting date to occur on 1 March 2027. In addition, if Mr Regan's employment is terminated by the Company without cause or in the event he voluntarily resigns for good reason (each, as defined in his employment agreement) prior to 1 January 2027, any of the RSUs scheduled to vest on 1 January 2027 will vest on an accelerated basis upon such termination. The RSUs are expected to be issued on or about the Allotment Date.

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TERM	DESCRIPTION
Other benefits	Mr Regan is eligible for same employee benefits which are offered to all Saluda senior-level executives, including medical insurance, dental, paid-time off and reimbursement of reasonable business expenses incurred in performing duties (e.g. travel expenses).
Termination and termination benefits	Mr Regan's employment is on an "at-will" basis and may be terminated at any time, with or without cause or advanced notice, at the option of either the Company or Mr Regan. If Mr Regan's employment is terminated by the Company without cause or in the event he voluntarily resigns for good reason (each, as defined in his employment agreement), in each case, within 60 days prior to or 18 months following a change in control (the **change in control period**), he will be entitled to: • an amount in cash equal to 12 months (increased to 18 months following completion of the Offer) of his annual base salary, payable in a lump sum; • his target annual bonus for the year prior to the year of termination to the extent unpaid; • 100% (increased to 150% following completion of the Offer) of his target annual bonus, payable in a lump sum; • a pro-rated target annual bonus for the year in which the termination occurs, payable in a lump sum; • payment of the COBRA premiums for himself and his respective eligible dependents for a maximum period of up to 12 months (increased to 24 months following completion of the Offer) from the date of his termination of employment; and • full accelerated vesting of all unvested company equity awards; provided, however, that any performance-based equity awards will remain subject to attainment of the relevant performance goals. If Mr Regan's employment is terminated by the Company without cause or in the event he voluntarily resigns for good reason (each, as defined in his employment agreement), in each case, outside of a change in control period, he will be entitled to: • an amount in cash equal to 9 months (increased to 12 months following completion of the Offer) of his annual base salary, payable in a lump sum; • his target annual bonus for the year prior to the year of termination to the extent unpaid; • 75% (increased to 100% following completion of the Offer) of his target annual bonus, payable in a lump sum; and • payment of the COBRA premiums for himself and his respective eligible dependents for a maximum period of up to 12 months from the date of his termination of employment. Additionally, if such termination occurs after the completion of the Offer, Mr. Regan will also be entitled to a pro-rated target annual bonus for the year in which the termination occurs, payable in a lump sum.
Restraints	Mr Regan's employment agreement contains post-employment restraints, including restraints on: • soliciting, enticing or inducing any employee, contractor or consultant to terminate their employment or association with Saluda; and • soliciting or inducing any customer to move all or any business away from Saluda or otherwise reduce or terminate their business with Saluda. These restrictions purport to operate for one-year post-employment. Additionally, Mr Regan's employment agreement contains non-competition restrictions during Mr Regan's employment that prohibits him from being employed by, associated or connected with, or providing services to a competitor in a role that jeopardises Mr Regan's obligations to Saluda's confidential information or owning, financing, controlling or holding a material interest in a competing business, subject to certain exclusions. The non-competition restrictions apply worldwide. The enforceability of these restraints is subject to all usual legal requirements.

7. Board, senior management and corporate governance continued

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7.4.3 Employment arrangements with Chief Financial Officer

Mr Erickson is employed as the CFO of Saluda. Details of Mr Erickson's terms of employment are set out below.

TERM	DESCRIPTION
Employer	Saluda Medical Americas, Inc. (a wholly-owned subsidiary of Saluda)
Fixed remuneration	A base annual salary of US$450,000 (subject to annual review).
Annual incentives	Mr Erickson is also eligible to earn an annual incentive bonus at a target amount of 55% of his base salary actually paid for the year to which such annual bonus relates.
Equity grant	Pursuant to his employment agreement, Mr Erickson was granted 7,766 Options following commencement of employment with an exercise price of US$84.46, under the 2023 Plan which vest over a period of four years from the grant date, with 25% vesting on the first anniversary of the grant date and the remainder vesting in 36 equal monthly instalments, subject to Mr Erickson's continuous service with the Company as of each vesting date (**Initial CFO Grant**). Mr Erickson has also received a further 21,358 Options under the 2023 Plan with an exercise price of US$84.46 per Share, with 3,883 Options having the same vesting as the Initial CFO Grant and the remaining 17,475 Options vesting in equal instalments over 24 months, subject to Mr Erickson's continuous service with the Company. With respect to Mr. Erickson's Option awards granted prior to the effective date of his amended and restated employment agreement, upon a change in control, Mr. Erickson is entitled to accelerated vesting of the unvested portion of such Options. Following completion of the Offer, Mr Erickson will be eligible to receive an additional award of 223,042 RSUs under the 2023 Plan. The RSUs will vest as follows: one-third of the RSUs will vest on 1 January 2027, and the remaining RSUs will vest in eight substantially equal instalments on each 1 March, 1 June, 1 September and 1 December thereafter, with the first such quarterly vesting date to occur on 1 March 2027. In addition, if Mr Erickson's employment is terminated by the Company without cause or in the event he voluntarily resigns for good reason (each, as defined in his employment agreement) prior to 1 January 2027, any of the RSUs scheduled to vest on 1 January 2027 will vest on an accelerated basis upon such termination. The RSUs are expected to be issued on or about the Allotment Date.
Other benefits	Mr Erickson is eligible for the same employee benefits which are offered to all Saluda senior-level executives, including medical insurance, dental, paid-time off and reimbursement of reasonable business expenses incurred in performing duties (e.g. travel expenses).
Termination and termination benefits	Mr Erickson's employment is on an "at-will" basis and may be terminated at any time, with or without cause or advanced notice, at the option of either the Company or Mr Erickson. If Mr Erickson's employment is terminated by the Company without cause or in the event he voluntarily resigns for good reason (each, as defined in his employment agreement), in each case, within the change in control period, he will be entitled to: • an amount in cash equal to 9 months (increased to 12 months following completion of the Offer) of his annual base salary, payable in a lump sum; • his target annual bonus for the year prior to the year of termination to the extent unpaid; • 75% (increased to 100% following completion of the Offer) of his target annual bonus, payable in a lump sum; • a pro-rated target annual bonus for the year in which the termination occurs, payable in a lump sum; • payment of the COBRA premiums for himself and his respective eligible dependents for a maximum period of up to 12 months from the date of his termination of employment; and • full accelerated vesting of all unvested company equity awards; provided, however, that any performance-based equity awards will remain subject to attainment of the relevant performance goals.

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TERM	DESCRIPTION
Termination and termination benefits continued	If Mr Erickson's employment is terminated by the Company without cause or in the event he voluntarily resigns for good reason (each, as defined in his employment agreement), in each case, outside of a change in control period, he will be entitled to: • an amount in cash equal to 12 months (decreased to 9 months following completion of the Offer) of his annual base salary, payable in a lump sum; • his target annual bonus for the year prior to the year of termination to the extent unpaid; and • payment of the COBRA premiums for himself and his respective eligible dependents for a maximum period of up to 12 months from the date of his termination of employment. Additionally, if such qualifying termination occurs after the completion of the Offer, Mr. Erickson will also be entitled to 75% of his target annual bonus and a pro-rated target annual bonus for the year in which the termination occurs, payable in a lump sum.
Restraints	Mr Erickson's employment agreement contains post-employment restraints, including restraints on: • soliciting, enticing or inducing any employee, contractor or consultant to terminate their employment or association with Saluda; and • soliciting or inducing any customer to move all or any business away from Saluda or otherwise reduce or terminate their business with Saluda. These restrictions purport to operate for one-year post-employment. Additionally, Mr Erickson's employment agreement contains non-competition restrictions during Mr Erickson's employment that prohibits him from being employed by, associated or connected with, or providing services to a competitor in a role that jeopardises Mr Erickson's obligations to Saluda's confidential information or owning, financing, controlling or holding a material interest in a competing business, subject to certain exclusions. The non-competition restrictions apply worldwide. The enforceability of these restraints is subject to all usual legal requirements.
Retention bonus	In March 2025, the Employer entered into a retention bonus letter with Mr Erickson pursuant to which Mr Erickson is entitled to receive a retention bonus in the amount of US$500,000 on the first to occur of: • 19 September 2026; and • the date of a change in control (as defined in the 2023 Plan) – see Section 7.6.1), subject to Mr Erickson's continued service through such date. In the event Mr Erickson is terminated without "cause," by reason of death or disability, or if Mr Erickson resigns for "good reason" (each as defined in the retention bonus letter), prior to the payment of the retention bonus, he will be entitled to the retention bonus, subject to the execution and non-revocation of a general release of claims in favour of Saluda.

7.4.4 Employment arrangements with other Key Managers

Following completion of the Offer, the other Key Managers are entitled to the following base annual salaries per annum (subject to annual review):

KEY MANAGER	BASE SALARY (USD)
Michael Mathias	$450,000
Kristin Caplice	$420,000
Aidan O'Sullivan	$420,000

7. Board, senior management and corporate governance continued

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Mr Mathias is also eligible to earn an annual incentive bonus at a target amount of 60% of his base salary actually paid for the year to which such annual bonus relates. Each of Ms Caplice and Mr O'Sullivan are also eligible to earn an annual incentive bonus at a target amount of 45%of their base salary actually paid for the year to which such annual bonus relates. In addition, each of Mr Mathias and Ms Caplice received an initial grant of Options and subsequent grants of Options and are eligible to receive further grants under the 2023 Plan. Their Options holdings are 14,562 with an exercise price of US$84.46 per Share held by Mr Mathias and 13,250 with an exercise price of US$84.46 per Share held by Ms Caplice.

Each of the Key Managers are entitled to the same standard benefits as other executives (including medical insurance).

Each Key Manager's employment is on an "at-will" basis and may be terminated at any time, with or without cause or advanced notice, at the option of either the Employer or the Key Manager. Mr Mathias, Ms Caplice and Mr O'Sullivan are entitled to the same severance benefits as Mr Erickson for certain terminations that arise during a change in control period. Outside of a change in control period, Mr Mathias, Ms Caplice and Mr O'Sullivan's entitlement includes an amount in cash equal to 6 months (increased to 9 months following completion of the Offer) of their annual base salary, target annual bonus for the year prior to the year of termination to the extent unpaid, 50% (increased to 75% following completion of the Offer) of their target annual bonus, and payment of the COBRA premiums for himself or herself and his or her respective eligible dependents for a maximum period of up to 12 months from the date of his or her termination of employment. Additionally, if such qualifying termination occurs after the completion of the Offer, Mr Matthias, Ms Caplice and Mr O'Sullivan will also be entitled to a pro-rated target annual bonus for the year in which the termination occurs, payable in a lump sum.

Following termination, Mr Mathias, Ms Caplice and Mr O'Sullivan are subject to the same one-year post-employment restraints and non-competition restraints during the period of employment as Mr Erickson.

Each of Mr Mathias and Ms Caplice are also entitled to a retention bonus of US$500,000 on the same terms as Mr Erickson (see Section 7.4.3 above).

7.4.5 Other benefits

(a) 401(k) Plan

The Company's U.S.-based executive officers are eligible to participate in a defined contribution retirement plan that provides eligible employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees may defer eligible compensation on a pre-tax or after-tax (Roth) basis, up to the statutorily prescribed annual limits on contributions under the Code. Contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. The 401(k) plan is intended to be qualified under Section 401(a) of the Code with the 401(k) plan's related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan (except for Roth contributions) and earnings on those contributions are not taxable to the employees until distributed from the 401(k) plan. Under the 401(k) plan, the Company provides matching contributions equal to 100% of the first 4% of eligible compensation deferred by its employees, not to exceed 1% of an employee's eligible compensation.

(b) Health and welfare benefits for U.S. senior executives

All of the Company's executive officers are eligible to participate in the Company's executive benefit plans, including its medical, dental, vision, disability and life insurance plans.

(c) New equity awards

The Company intends to issue new RSUs and Options under the 2023 Plan to certain of its Key Managers and other employees on or about the Allotment Date. The details of which are set out in Section 7.6.3.

7.4.6 Non-Executive Directors

(a) Cash fees

Under the Bylaws, the Directors decide the total amount paid to all Directors as remuneration for their services as a Director of Saluda. However, under the Listing Rules, the total amount paid to all Directors (excluding the salary of any executive Director and equity compensation issued with approval under the Listing Rules) for their services must not exceed in aggregate in any financial year the amount fixed by Saluda in a general meeting. This amount has been fixed at US$1,250,000 per financial year.

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In connection with the Offer, the Board and Shareholders have approved a Non-executive Director compensation program that will provide for annual retainer fees and equity awards for the Non-executive Directors. Each Non-executive Director will receive an annual retainer of US$50,000, with the Non-executive Director serving as chair of the Board or lead independent director receiving an annual retainer of US$95,000 (in lieu of the base Board retainer). The Non-executive Directors serving as the Chairs of the Audit and Risk, Compensation and Nomination and Corporate Governance Committees will receive additional annual retainers of US$20,000, US$15,000 and US$10,000, respectively. Non-executive Directors serving as members of the Audit and Risk, Compensation and Nomination and Corporate Governance Committees will receive additional annual retainers of US$10,000, US$7,500 and US$5,000, respectively. Dr Brooke and Ms Livingstone are also entitled to receive an annual superannuation contribution, as required by Australian law. All Non-executive Directors are reimbursed for their reasonable out-of-pocket expenses in connection with attending Board and committee meetings.

(b) Current equity awards

The following Non-executive Directors have previously been issued the following Options under the Incentive Plans for no cash consideration:

DIRECTOR	SECURITIES TO BE ISSUED ON EXERCISE OF OPTIONS		EXERCISE PRICE PER SHARE (US$)	FAIR VALUE PER SHARE (US$)[1]	VESTING	EXPIRY DATE	PLAN
	NUMBER OF SHARES	EQUIVALENT NUMBER OF CDIs					
Douglas Godshall	21,347	213,470	84.46	42.67	Monthly over 24 months	18 March 2035	2023 Plan
	13,483	134,830	84.46	42.30	Monthly over 18 months	18 March 2035	2023 Plan
	1,359	13,590	84.46	71.39	Monthly over 36 months	12 May 2033	2023 Plan
	3,398	33,980	84.46	313.04	Fully vested	17 June 2031	Employee Option Plan
	485	4,850	84.46	146.96	Fully vested	20 November 2032	Employee Option Plan
Catherine Livingstone	1,747	17,470	84.46	42.67	Monthly over 24 months	18 March 2035	2023 Plan
	679	6,790	84.46	71.39	Monthly over 36 months	12 May 2033	2023 Plan
	485	4,850	84.46	149.64	Fully vested	20 November 2032	Employee Option Plan
Robert Palmisano	2,359	23,590	84.46	42.67	Monthly over 24 months	18 March 2035	2023 Plan
	407	4,070	84.46	71.39	Monthly over 36 months	12 May 2033	2023 Plan
	1,165	11,650	84.46	190.46	One year cliff, monthly vesting for the next 36 months	4 April 2032	Employee Option Plan

Notes:

1. Options were repriced. Accordingly, the fair value is the sum of original grant date fair value and incremental fair value as of date of repricing/modifications. The Company uses the Black Scholes Pricing Model to value the Options.

Options were chosen for the purpose of aligning the interests of the directors more closely with the interests of securityholders by providing them with an opportunity to receive an equity interest in the Company. No Options issued to the above Non-executive Directors have been exercised to date.

No loan has been or will be made to the Non-executive Directors in relation to the Options.

Summaries of the 2023 Plan and Employee Option Plans are set out in Section 7.6.

7. Board, senior management and corporate governance continued

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(c) New equity awards

Each Non-executive Director will receive an initial grant of RSUs on the Allotment Date. The key terms of the grants are described below.

GRANT DATE	ON OR ABOUT THE ALLOTMENT DATE
Recipients and Number	

DIRECTOR	NUMBER OF RSUs	EQUIVALENT NUMBER OF CDIs
Douglas Godshall	153,134	1,531,340
Geoffrey Brooke	89,883	898,830
Robert Faulkner	89,883	898,830
Catherine Livingstone	109,857	1,098,570
Robert Palmisano	89,883	898,830
Quentin Blackford (proposed)	99,870	998,700

Consideration for grant	Nil cost as they form part of the Non-executive Directors' compensation.
Vesting conditions	The RSUs will vest as follows subject to the relevant Non-executive Director serving as a director of the Company as at the applicable vesting date: one-third of the RSUs will vest on 1 January 2027, and the remaining RSUs will vest in eight substantially equal instalments on each 1 March, 1 June, 1 September and 1 December thereafter, with the first such quarterly vesting date to occur on 1 March 2027. On vesting, the RSUs will be settled for Shares. There is no exercise price payable by the participant.
Other key terms and conditions	All of a Non-executive Director's RSUs (and any other equity awards granted to the Non-executive Directors under the Non-executive Director compensation program) shall vest in full upon a Non-executive Director's termination of service by reason of death or disability, or upon a Non-executive Director's termination of service on the Board as a result of the Company's failure to re-nominate such Non-executive Director for election, or such Non-executive Director's failure to be elected, in each case, as a member of the Board, and immediately prior to the occurrence of a "Change in Control" (as defined in the 2023 Plan – see Section 7.6.1. Unless the Board otherwise determines, and except as described above, any portion of the RSUs which is unvested at the time of a Non-executive Director's termination of service on the Board as a Non-executive Director shall be immediately forfeited upon such termination of service and shall not thereafter become vested.
Transferability, dividend and voting rights	RSUs are not transferable and will not be quoted on ASX or any other exchange. RSUs do not carry any voting or dividend rights prior to vesting, nor do they confer any right to participate in a new issue of securities of the Company. Shares allocated on vesting of RSUs carry the same dividend and voting rights as other Shares. RSUs also do not permit the holder to participate in a return of capital (whether in a winding up or upon a reduction of capital or otherwise), nor do they carry any entitlement to participate in any surplus assets or profits of the Company upon a winding up.

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Other information required by Listing Rule 10.15 and ASX Guidance Note 19	Details of the cash compensation of the Non-executive Directors is set out above in Section 7.4.6(a), and the securities previously issued to the Non-executive Directors under the 2023 Plan is outlined above in Section 7.4.6(b). A summary of the 2023 Plan is included in Section 7.6.1 which includes the terms that apply to awards under the 2023 Plan (including RSUs). The Company received advice from an independent compensation advisory firm on its compensation structure and equity grants as a listed company, including the use of RSUs for directors, executives and other employees. The Compensation Committee and Board reviewed data from similarly sized peer companies in the U.S., the advice of the advisory firm, and the current equity position of directors and employees, and determined the number and types of equity awards for directors, executives and other employees. A key consideration was to ensure that compensation was in line with market standards (including the equity component). RSUs have been chosen for the purpose of aligning the interests of the directors, the executives and certain employees more closely with the interests of securityholders by providing them with an opportunity to receive an equity interest in the Company. The per unit value Saluda attributes to each RSU is A$26.50, being the Offer Price on a per Share basis. No loans will be made by Saluda in connection with the grant of the RSUs. If the RSUs granted to the Non-executive Directors were to vest in full, they would convert to a total of 632,510 Shares, representing approximately 2.51% of the undiluted capital of the Company as at the date of completion of the Offer (assuming no other Shares or CDIs are issued).

New Non-executive Directors commencing service following the Offer will also receive initial grants of Options or RSUs (as determined by the Board) with a grant date fair value of US$300,000, vesting over three years, subject to Shareholder approval under the Listing Rules. Additionally, each year on the date of each annual meeting, each Non-executive Director will receive an annual grant of Options or RSUs (as determined by the Board) with a grant date fair value of US$150,000, vesting on the first anniversary of the grant date (or if earlier, the next occurring annual meeting of Shareholders), subject to Shareholder approval under the Listing Rules. Awards to the Non-executive Directors will also vest in the event of a change in control or the death or disability of a director or upon a Non-executive Director's termination of service on the Board as a result of the Company's failure to re-nominate such Non-executive Director for election, or such Non-executive Director's failure to be elected, in each case, as a member of the Board. The above-mentioned awards, as well as other future grants of securities to Non-executive Directors are expected to be granted under the 2023 Plan and will be subject to Shareholder approval as required under the Listing Rules and Board approval. See Section 7.6.1 below for a description of that plan.

7. Board, senior management and corporate governance continued

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7.4.7 Directors' interests in Shares and other securities

The table below sets out the direct and indirect interests of the Directors in the securities of Saluda as at the date of this Prospectus (assuming the Restructuring has occurred) and following completion of the Offer, including the fully diluted percentage holdings these interests represent at Listing.

DIRECTOR	SECURITIES HELD AS AT THE DATE OF THIS PROSPECTUS					SECURITIES HELD AS AT COMPLETION OF THE OFFER AND THE U.S. PRIVATE PLACEMENT				
	SHARES	EQUI-VALENT IN CDIs	OPTIONS	RSUs	WARRANTS	CDIs[1]	OPTIONS	RSUs	WARRANTS	HOLDING % (FULLY DILUTED)[2]
Douglas Godshall[3]	288,434	2,884,340	40,072	0	0	2,884,340	40,072	153,134	0	1.6%
Barry J. Regan	0	0	90,651	0	0	0	90,651	832,247	0	3.1%
Geoffrey Brooke	0	0	0	0	0	0	0	89,883	0	0.3%
Robert Faulkner	0	0	0	0	0	0	0	89,883	0	0.3%
Catherine Livingstone[4]	3,917	39,170	2,911	0	0	39,170	2,911	109,857	0	0.4%
Robert Palmisano	0	0	3,931	0	0	0	3,931	89,883	0	0.3%
Quentin Blackford (proposed)	0	0	0	0	0	0	0	99,870	0	0.3%

Notes:

1. Assumes all Shares are held as CDIs.
2. Figures as at the date of this Prospectus, and following completion of the Offer and the U.S. Private Placement, are calculated on the basis described under the heading 'Pre- and post-allotment figures' in the Important Information section at the beginning of this Prospectus.
3. Douglas Godshall's Shares are held by Douglas E. Godshall 2013 Trust dated 4/10/2013 and Douglas E Godshall and Johanna Wise Sullivan Trustees of the Cristy F Godshall Irrevocable Trust dated 10/22/2021.
4. Catherine Livingstone's Shares are held by Easdale No.2 Pty Limited.

In addition, the Directors (or their spouses or their associates) may apply for CDIs under the Offer and the U.S. Private Placement (as applicable), subject to compliance with applicable laws. If the Directors (or their spouse or associate) do apply for CDIs under the Offer or the U.S. Private Placement, the figures in the above table will be affected. The Company will notify ASX of the Directors' interests at the time of Listing in accordance with the Listing Rules.

7.4.8 Indemnification of Directors, officers and employees, and insurance

As permitted under Delaware law, Saluda indemnifies certain officers and Directors and is permitted to indemnify employees for certain events or occurrences that happen by reason of their relationship with, or position held at, Saluda. The Company's Certificate of Incorporation and Bylaws provide for the indemnification of its Directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law.

Saluda has entered into indemnification agreements with its Directors and certain officers to this effect, including advancement of expenses incurred in legal proceedings to which the Director or officer was, or is threatened to be made, a party by reason of the fact that such Director or officer is or was a Director, officer, employee or agent of Saluda, provided that such Director or officer acted in good faith and in a manner that the Director or officer reasonably believed to be in, or not opposed to, the Company's best interests. At present, there is no pending litigation or proceeding involving a Director or officer for which indemnification is sought, nor is the Company aware of any threatened litigation that may result in claims for indemnification.

Saluda maintains insurance policies that indemnify the Company's Directors and officers against various liabilities that might be incurred by any Director or officer in his or her capacity as such.

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7.5 INTERESTS OF ADVISORS

The Company has engaged the following professional advisers in relation to the Offer:

(a) Bell Potter Securities Limited has acted as Joint Lead Manager, Sole Bookrunner and Underwriter to the Offer, and will receive the fees under the Underwriting Agreement described in Section 9.6.

(b) Morgans Corporate Limited and E&P Capital Pty Ltd have acted as Joint Lead Managers to the Offer and will receive the fees described in Section 9.6.

(c) Commonwealth Securities Limited has acted as Co-Manager to the Offer and will receive the fees described in Section 9.6.

(d) TPG Capital BD, LLC has acted as independent financial adviser to the Company in relation to the Offer and will be paid a fee of US$250,000 which will be paid by the Joint Lead Managers out of the fees the Joint Lead Managers receive under the Underwriting Agreement.

(e) Latham & Watkins LLP has acted as U.S. legal adviser to the Company for certain legal matters in connection with the Offer and prepared the US tax consequences in Section 11.2. The Company has paid or agreed to pay US$550,000 (excluding disbursements) for these services up to the date of this Prospectus.

(f) Johnson Winter Slattery has acted as Australian legal adviser to the Company in connection with the Offer and prepared the Australian tax consequences in Section 11.1. The Company has paid or agreed to pay A$800,000 (excluding GST and disbursements) for these services up to the date of this Prospectus.

(g) Barnes & Thornburg LLP has acted as IP attorney to the Company in connection with the Offer and has prepared the report in Section 10 of the Prospectus. The Company has paid or agreed to pay US$19,682 (excluding disbursements) for these services up to the date of this Prospectus.

(h) Grant Thornton Corporate Finance Pty Ltd has acted as the Investigating Accountant in connection with the Offer and has performed work in relation to the Investigating Accountant's Report. The Company has paid, or agreed to pay, A$314,000 (excluding GST and disbursements) for these services up to the date of this Prospectus.

(i) Grant Thornton Advisors LLC has undertaken U.S. taxation due diligence on the Company in connection with the Offer. The Company has paid, or agreed to pay, approximately US$50,000 (plus disbursements) for the above services up until the date of this Prospectus.

(j) Grant Thornton Australia Ltd has undertaken Australian taxation due diligence on the Company in connection with the Offer. The Company has paid, or agreed to pay, approximately A$66,150 (plus disbursements) for the above services up until the date of this Prospectus.

These amounts and other expenses of the Offer will be paid out of the funds raised under the Offer or cash otherwise on hand.

7.6 INCENTIVE PLANS

7.6.1 2023 Incentive Awards Plan

The Company's 2023 Incentive Award Plan (**2023 Plan**) was adopted initially by the Board and approved by Shareholders, respectively, on 28 March 2023 and 2 April 2023. Under the 2023 Plan, Saluda may grant cash and equity incentive awards to eligible service providers in order to attract, motivate and retain the talent for which Saluda competes. In connection with the Offer, the Board and Shareholders have approved an amendment and restatement of the 2023 Plan to, among other items, increase the share reserve under the Plan and to ensure the Plan complies with the Listing Rules.

(a) Limitation on awards and shares available

As at the date of this Prospectus, there are 421,090 Shares subject to outstanding Options granted under the 2023 Plan and 2,423,138 Shares remain available for future issuance under the 2023 Plan. On completion of the Offer, the number of Shares authorised for issuance under awards granted pursuant to the 2023 Plan will be equal to the sum of (i) 2,844,228 Shares, plus (ii) an increase on the Allotment Date equal to a number of Shares representing 11% of the fully diluted Shares on issue on the Allotment Date, plus (ii) any Shares subject to outstanding awards under the Employee Option Plan as of the original effective date of the 2023 Plan that become available for issuance under the 2023 Plan thereafter in accordance with its terms. In addition, the number of Shares available for issuance under the 2023 Plan will be annually increased on 1 July of each calendar year beginning on and including 1 July 2026 and ending on and including 1 July 2035, by an amount equal to the lesser of (A) 5% of the fully diluted Shares outstanding on the final day of the immediately preceding fiscal year, and (B) such smaller number of Shares as is determined by the Board.

7. Board, senior management and corporate governance continued

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For the purposes of Listing Rule 7.2, exception 13 only, the maximum number of equity securities proposed to be issued under the 2023 Plan is 15,000,000, provided that this limit shall only apply while the Shares (or CDIs representing a beneficial interest in the Shares) are listed on the ASX.

In the discretion of the plan administrator, CDIs in an amount equal to the number of Shares which otherwise would be distributed pursuant to an award may be distributed in lieu of Shares in settlement of any award under the 2023 Plan. If the number of Shares represented by a CDI is other than on a one-to-one basis, the share limitations of the 2023 Plan will be adjusted to reflect the distribution of CDIs in lieu of Shares.

(b) Eligibility and Administration

Saluda's employees, consultants and directors, and employees and consultants of its subsidiaries, are eligible to receive awards under the 2023 Plan. The 2023 Plan is administered by the Board with respect to awards to non-employee directors and by the Compensation Committee with respect to other participants, each of which may delegate its duties and responsibilities to committees of the Directors and/or officers (referred to collectively as the plan administrator below), subject to certain limitations. The plan administrator has the authority to make all determinations and interpretations under, prescribe all forms for use with and adopt rules for the administration of, the 2023 Plan, subject to its express terms and conditions. The plan administrator also sets the terms and conditions of all awards under the 2023 Plan, including any vesting and vesting acceleration conditions. Saluda expects the Compensation Committee will administer the 2023 Plan.

If an award under the 2023 Plan or the Employee Option Plan expires, lapses or is terminated, exchanged for or settled in cash, surrendered, repurchased, cancelled without having been fully exercised or forfeited, in any case, in a manner that results in the Company acquiring Shares covered by the award at a price not greater than the price paid by the participant for such Shares or not issuing any Shares covered by the award, any Shares subject to such award will, as applicable, become or again be available for new grants under the 2023 Plan.

(c) Awards

The 2023 Plan provides for the grant of Options, restricted stock, dividend equivalents, restricted stock units, or RSUs, stock appreciation rights, or SARs; and other stock or cash-based awards. Awards may be settled in Shares, CDIs, cash or other property pursuant to the terms of the 2023 Plan.

In addition, the Company may issue performance awards under the 2023 Plan that are granted subject to vesting and/or payment based on the attainment of specified performance goals or other criteria the plan administrator may determine, which may or may not be objectively determinable.

(d) Certain Transactions

In connection with certain transactions and events affecting Saluda's common stock, including a change in control (as defined below), or change in any applicable laws or accounting principles, the plan administrator has broad discretion, subject to the Listing Rules, to act under the 2023 Plan to prevent the dilution or enlargement of intended benefits, facilitate such transaction or event, or give effect to such change in applicable laws or accounting principles. This includes cancelling awards in exchange for either an amount in cash or other property with a value equal to the amount that would have been obtained upon exercise or settlement of the vested portion of such award or realisation of the participant's rights under the vested portion of such award, accelerating the vesting of awards, providing for the assumption or substitution of awards by a successor entity, adjusting the number and type of shares available, replacing awards with other rights or property or terminating awards under the 2023 Plan. In the event of a change in control where the acquirer does not assume awards granted under the 2023 Plan, awards issued under the 2023 Plan may be subject to accelerated vesting such that 100% of the awards will become vested and exercisable or payable, as applicable. In addition, in the event of certain non-reciprocal transactions with Shareholders (an equity restructuring) the plan administrator will make equitable adjustments in accordance with the Listing Rules to the 2023 Plan.

For the purposes of the 2023 Plan, a "change in control" means:

(a) a transaction or series of transactions whereby any person or related group of persons, directly or indirectly acquires beneficial ownership of the Company's securities possessing more than 50% of the total combined voting power of such securities outstanding immediately after such acquisition; or

(b) during any period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new Directors (other than a director designated by a person who has entered into an agreement with the Company to effect a change in control transaction) whose election by the Board or nomination for election by Shareholders was approved by a vote of at least two-thirds of the Directors; or

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(c) the consummation by the Company (whether directly or indirectly) of a:

(i) merger, consolidation, reorganisation, or business combination;

(ii) sale or other disposition of all or substantially all of the assets of the Company in any single transaction or series of related transactions; or

(iii) acquisition of assets or stock of another entity, in each case other than a transaction,

in each case other than a transaction:

(iv) which results in the Company's voting securities outstanding immediately before the transaction continuing to represent, directly or indirectly, at least a majority of the combined voting power of the successor entity's outstanding voting securities immediately after the transaction; and

(v) after which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the successor entity; provided, however, that no person or group will be treated as beneficially owning 50% or more of the combined voting power of the successor entity solely as a result of the voting power held in the Company prior to the consummation of the transaction.

(e) Amendment and termination

The Board may amend, suspend, or terminate the 2023 Plan at any time; however, except in connection with certain changes in capital structure, Shareholder approval will be required for any amendment that increases the number of shares available under the 2023 Plan. The 2023 Plan will expire in 2035 unless terminated earlier by the Board.

7.6.2 Employee Option Plan

Prior to the adoption of the 2023 Plan, the Company maintained the Employee Option Plan (**Employee Option Plan**). As at the date of this Prospectus, there are 106,244 Shares subject to outstanding Options granted under the Employee Option Plan.

Shares subject to awards granted under the Employee Option Plan that expire, lapse or are terminated, exchanged for cash, surrendered, repurchased or forfeited following the effective date of the Employee Option Plan will be available for issuance under the 2023 Plan in accordance with its terms.

The plan administrator may provide for the early exercise, buy-back, acceleration, cash-out, termination, assumption, or substitution of awards in the event of a "liquidity event" (defined below) or certain other unusual or nonrecurring events or transactions. In addition, in the event of an equity restructuring the plan administrator will make equitable adjustments to the number of Shares and the exercise price of outstanding Options issued under the Employee Option Plan as it deems appropriate to reflect the equity restructuring.

A liquidity event includes:

(a) the consummation of the acquisition by one of more Shareholder or any of their affiliates, of all of the share capital of the Company not held by such Shareholder or affiliate, or the consummation of the acquisition by a third party of all the share capital of the Company, other than in the context of a solvent reconstruction where the underlying beneficial ownership remains substantially unchanged;

(b) the date on which an agreement for the disposal by whatever means of the whole or substantially the whole of the property, business or undertaking of the Company is entered into;

(c) the reorganisation, merger or consolidation of the Company with another entity in which the Company does not remain the continuing entity;

(d) if the Company is admitted to the official list of a securities exchange or there is a takeover bid (as defined in section 9 of the Corporations Act); or

(e) if the Company is not admitted to the official list of a securities exchange, a share exchange effected to change the jurisdiction of incorporation of the Company.

The Board may terminate, amend or modify the Employee Option Plan to the extent it does not prejudice the existing or accrued rights of any Option holder. However, Shareholder approval of any amendment to the Employee Option Plan or any Options issued under the Employee Option Plan must be obtained to comply with any applicable law, regulation or stock exchange rule. The Board will have the authority to amend any outstanding Option Incentive to reduce its exercise price per Share subject to the Listing Rules.

7. Board, senior management and corporate governance continued

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7.6.3 Key Manager and other employee grants

RSUs

It is market practice in the U.S. for executive compensation to include an equity component (commonly RSUs and/or options) to incentivise and retain individuals and align their interests with the interests of the stockholders. RSUs were chosen for this purpose.

The Company intends to issue new RSUs as compensation and as incentives under the 2023 Plan to certain of its Key Managers and other employees on or about the Allotment Date as follows:

KEY MANAGER/EMPLOYEE	NUMBER OF RSUs	EQUIVALENT NUMBER OF CDIs
Barry J. Regan	832,247	8,322,470
James Erickson	223,042	2,230,420
Michael Mathias	223,042	2,230,420
Kristin Caplice	143,147	1,431,470
Aidan O'Sullivan	143,147	1,431,470
Other employees	316,252	3,162,520

Each RSU represents the right to receive one Share (or 10 CDIs) and will be issued at nil cost. Other than the RSUs granted to Messrs Regan and O'Sullivan, the RSUs will vest as follows subject to continuous service as at the applicable vesting date: one-third of the RSUs will vest on 1 January 2027, and the remaining RSUs will vest in eight substantially equal instalments on each 1 March, 1 June, 1 September and 1 December thereafter, with the first such quarterly vesting date to occur on 1 March 2027. The RSUs granted to Messrs Regan and O'Sullivan will vest as follows: one-fourth of the RSUs will vest on 1 January 2027, and the remaining RSUs will vest in 12 substantially equal instalments on each 1 March, 1 June, 1 September and 1 December thereafter, with the first such quarterly vesting date to occur on 1 March 2027. In addition, if a Key Manager's employment is terminated by the Company without cause or in the event he or she voluntarily resigns for good reason (each, as defined in his or her employment agreement) prior to 1 January 2027, any of the RSUs scheduled to vest on 1 January 2027 will vest on an accelerated basis upon such termination.

Except as described above (and in Sections 7.4.2, 7.4.3 and 7.4.4), any portion of the RSUs which is unvested at the time of a Key Manager's termination of employment shall be immediately forfeited and shall not thereafter become vested.

Please refer to Section 7.4.6(b) in "Other information required by Listing Rule 10.15 and ASX Guidance Note 19" and "Transferability, dividend and voting rights", which contains additional information on the terms of the RSUs. The compensation arrangements of the Key Managers are outlined in Sections 7.4.2, 7.4.3 and 7.4.4.

If the RSUs granted to the Key Managers and other employees vest in full, they would convert to a total of 1,880,877 Shares, representing approximately 7.46%% of the undiluted capital of the Company as at the date of completion of the Offer (assuming no other Shares or CDIs are issued).

Options

The Company intends to issue a total of 1,287,220 new Options under the 2023 Plan to employees (excluding the Key Managers) on or about the Allotment Date. The exercise prices of the Options in US$ will equal the fair market value per Share on the Allotment Date (determined based on the Offer Price (as adjusted for the CDI to Share ratio) and multiplied by the exchange rate for A$ to US$ on such date). The Options will vest over a period of three years from the grant date in 36 monthly instalments, subject to continuous service with the Company as of each vesting date. The term of the Options will be no more than ten years after the grant date.

Future grants

After Listing, RSUs, Options and other incentives will be an important component of any compensation arrangements with new personnel, as well as an ongoing incentive for the Company's existing staff. Accordingly, the Company believes that it will issue new RSUs, Options or other incentives following its admission to the ASX as and when new personnel are recruited. Any issuance of Awards to new or existing staff and contractors following the Company's admission to the ASX will be under the terms and conditions of the 2023 Plan and will be within the permitted share reserve. To the extent that the Listing Rules require Shareholder approval for an issuance under the 2023 Plan (e.g. for an issuance to a new Director), such approval will be sought before the issuance is made by the Company.

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7.7 RELATED PARTY INTERESTS

7.7.1 Current and proposed transactions

Other than as set out elsewhere in this Prospectus (including the remuneration arrangements with the Directors described in Section 7.4.6), there are no existing agreements or arrangements and there are no currently proposed transactions in which the Company was, or is to be, a participant, and in which any related party had or will have a direct or indirect material interest.

7.7.2 Policy for approval of related party transactions

From Listing, the Audit and Risk Committee is responsible for reviewing and approving all transactions in which the Company is a participant and in which parties related to Saluda, including its executive officers, Directors and certain other persons who the Board determines may be considered related parties of Saluda, have or will have a material direct or indirect interest. The Company's Related Person Transaction Policy and Procedures sets out the procedures for the identification, review, consideration, and approval or ratification of transactions involving Saluda and any "Related Person" (as that term is defined in the Related Person Transaction Policy and Procedures) by the Audit and Risk Committee or by such other independent committee of the Board of Directors as may be designated by the Board of Directors.

Certain transactions with related parties will also be subject to Shareholder approval under the Listing Rules.

7.8 CORPORATE GOVERNANCE

7.8.1 Board Charter

The functions and the responsibilities of the Board are set out in Saluda's Board Charter. The Board Charter establishes the functions reserved to the Board and those delegated to the Company's management. Additionally, the Board Charter outlines certain characteristics of the Board including the ideal composition of the Board.

A copy of the Saluda's Board Charter will be made available on the Company's website at https://www.saludamedical.com/.

7.8.2 Board committees

The Board has established three standing committees to facilitate and assist the Board in fulfilling its responsibilities as set out below. The Board may also establish other committees from time to time to assist in the discharge of its responsibilities. Each committee operates under a charter approved by the Board.

COMMITTEE	OVERVIEW	MEMBERS
Audit and Risk	The Audit and Risk Committee will oversee Saluda's financial reporting process on behalf of the Board and will make recommendations to the Board on the appointment, compensation and retention of external auditors. The Audit and Risk Committee will also oversee the establishment, methodology and implementation of Saluda's risk management system and its resourcing.	Catherine Livingstone (Chair) Robert Faulkner Quentin Blackford (proposed)
Nomination and Corporate Governance	The Nomination and Corporate Governance Committee will: • establish processes for the identification of suitable candidates for appointment to the Board; • establish processes for reviewing the performance of individual Directors, the Board as a whole, and Board committees; • recommend to the Board the Directors to be appointed to each standing committee of the Board; and • monitor and evaluate developments in law and best practice relating to corporate governance trends and recommending to the Board any changes to the Company's corporate governance policies and practices.	Douglas Godshall (Chair) Barry J. Regan Geoffrey Brooke

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Compensation	The Compensation Committee will: • review and approve the corporate goals and objectives with respect to the compensation of the CEO, evaluating the CEO's performance in light of such goals and objectives, and determining and approving the remuneration of the CEO; • review and approve any employment and severance agreements or arrangements for the Company's executive officers; • determine the executive remuneration policy and the Non-executive Director remuneration policy; and • review all equity based incentive plans.	Quentin Blackford (Chair) (proposed) Robert Palmisano Robert Faulkner

Each of these committees has the responsibilities described in the committee charters which have been prepared having regard to the Listing Rules, the Corporations Act and the ASX Corporate Governance Principles and Recommendations.

7.8.3 Policies

The Board has approved the following policies to apply upon Saluda's Listing on the ASX, each of which has been prepared having regard to the Listing Rules, the Corporations Act and the ASX Corporate Governance Principles and Recommendations.

Amended and restated code of business conduct — This policy sets out Saluda's key values and the standards of ethical behaviour that Saluda expects from its Directors, Key Managers and employees.

Insider trading compliance policy — This policy sets out Saluda's internal controls and procedures in relation to dealings in Saluda securities by Directors, Key Managers and employees, and provides guidance on insider trading laws. This policy provides that Directors, employees, contractors and certain other persons must not deal in the Company's securities when they are aware of 'inside' information. Directors and certain key personnel generally must not deal in the Company's securities during certain blackout periods and must obtain prior clearance for any proposed dealing in Saluda securities outside of a blackout period.

Continuous disclosure policy — This policy sets out the procedures and measures designed to ensure the Saluda's compliance with its continuous disclosure requirements. This policy also sets out Saluda's practices for ensuring effective communication with its CDI Holders and Shareholders and to encourage securityholder participation at stockholder meetings.

Risk management policy — This policy is designed to assist Saluda to identify, assess, monitor and manage its risks, along with identifying material changes to its risk profile.

Diversity, inclusion and respectful workplace policy — This policy aims to promote diversity, inclusion and respectful workplace interactions (free from any form of harassment, discrimination, bullying or abusive treatment) amongst Saluda's employees, officers, directors and contractors.

Policies and procedures regarding accounting complaints — This policy governs the receipt and treatment of complaints regarding Saluda's accounting, internal accounting controls or auditing matters and to protect the confidential, anonymous reporting of employee concerns regarding such matters.

Anti-bribery and anti-corruption policy — This policy sets out the Company's commitment to doing business with integrity and avoiding corruption in any form.

Related person transaction policy and procedures — This policy assists the Board in reviewing, approving and ratifying related party transactions and preparing required disclosure of such transactions. This policy covers any transaction involving Saluda in which a related person will have a direct or indirect material interest, as determined by the Audit and Risk Committee.

Global whistleblower policy — Saluda is committed to the highest standards of conduct and ethical behaviour in all of its business activities and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance. This policy sets out Saluda's commitment to maintaining a safe and confidential environment where concerns can be raised by whistleblowers without fear of reprisal or detrimental treatment.

Saluda's key policies will be made available on the Company's website at https://www.saludamedical.com/.

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7.8.4 ASX Corporate Governance Principles

Saluda is seeking a listing on the ASX. The ASX Corporate Governance Council has developed and released Corporate Governance Principles and Recommendations for ASX listed entities in order to promote investor confidence and to assist companies to meet stakeholder expectations. The recommendations are not prescriptive, but are guidelines. However, under the Listing Rules, Saluda will be required to provide a corporate governance statement in or with its annual report disclosing the extent to which it has followed the recommendations in the reporting period. Where it has not followed a recommendation for any part of the reporting period, it must identify the recommendation that has not been followed and state the period during which it has not been followed, and give reasons for not following it and state what (if any) alternative corporate governance practices the Company adopted. The Board anticipates that it will follow all of the recommendations, except as follows:

- The Company will not follow recommendation 1.3 in full as at the date of Listing. The Company has written employment agreements with each senior executive, however, does not presently have individual written agreements with each Non-executive Director. The Company considers that there is sufficient certainty as to the terms of the Non-executive Directors' appointment (including a Non-executive Director compensation program which outlines Director fees and proposed equity grants) that written agreements are not necessary at this stage.
- The Company will not follow recommendation 1.5 in full as at the date of Listing. The Company's diversity, inclusion and respectful workplace policy applies to all Directors, senior executives and employees and certain third parties representing the Company (such as consultants and contractors) which sets out the Company's diversity policy. It will be available on the Company's website from the date of lodgement of this Prospectus. The Company has not established measurable objectives for achieving gender diversity in the composition of its Board, senior executives and workforce generally.

7.8.5 Continuous disclosure

Once listed on the ASX, Saluda will be required to comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act. Subject to the exceptions contained in the Listing Rules, it will be required to disclose to the ASX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the CDIs. Saluda is committed to observing its disclosure obligations under the Listing Rules and the Corporations Act. Accordingly, as described above at Section 7.8.3, the Company has adopted a continuous disclosure policy to take effect from Listing on the ASX which establishes procedures which are aimed at ensuring that Directors and Key Managers are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information. The Company's continuous disclosure announcements will be available on its website at https://www.saludamedical.com/, in addition to the announcements section of the ASX's website.

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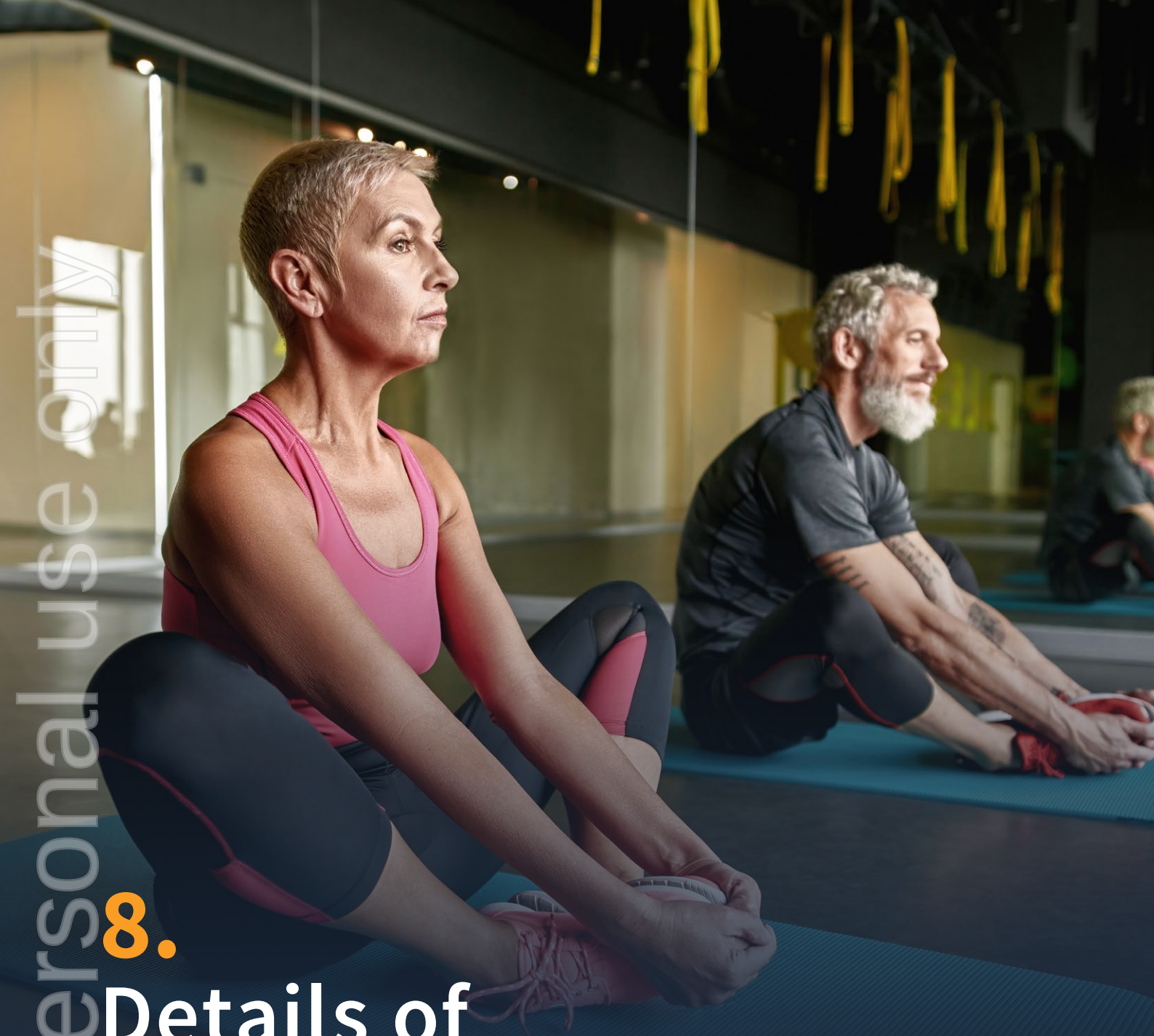

8. Details of the Offer

8. Details of the Offer

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8.1 OVERVIEW OF THE OFFER

This Prospectus relates to an initial public offering by the Company of approximately 87.1 million New CDIs (equivalent to approximately 8.7 million Shares) at an Offer Price of A$2.65 per CDI to raise gross proceeds of approximately A$230.8 million.

A summary of the rights attaching to the CDIs is set out in Section 12.8.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus and is fully underwritten by the Underwriter.

8.2 STRUCTURE OF THE OFFER

The Offer will consist of:

- the Institutional Offer, which consists of an invitation to certain Institutional Investors in Australia and other authorised jurisdictions to apply for CDIs; and
- the Broker Firm Offer, which is open to Australian resident Retail Investors and Sophisticated Investors who have received a firm allocation from their Broker.

8.3 U.S. PRIVATE PLACEMENT

Concurrently with the Offer, Saluda is conducting a private placement of CDIs to certain accredited investors in the U.S. (**U.S. Private Placement**). The U.S. Private Placement is fully underwritten by the Underwriter.

Participation in the U.S. Private Placement will be limited to the accredited investors who have entered into binding commitments or agreements with Saluda to participate in the U.S. Private Placement. Saluda is not making a public offer of its securities in the U.S.

The U.S. Private Placement will be at A$2.65 per CDI. Saluda will issue 1,312,240 CDIs under the U.S. Private Placement, in exchange for gross proceeds of approximately A$3.5 million.

8.4 PURPOSE OF THE OFFER AND SOURCES AND USES OF FUNDS

The Offer is being conducted to:

- fund the expansion of the Company's sales team in the U.S.;
- fund marketing and commercial support activities, including investments in market awareness, physician education and general support for U.S. commercial expansion;
- fund product development and related activities, including research and development, engineering and third-party development costs;
- support Saluda's quality system management, regulatory activities, and in process post-market clinical activities and non-pain related feasibility clinical studies;
- provide Saluda access to listed capital markets to support future growth;
- pay the costs of the Offer and the U.S. Private Placement;
- fund interest payments related to Saluda's existing term debt facility; and
- fund general working capital requirements.

8. Details of the Offer continued

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Further details about the sources of the funds that will be used to carry out these objectives (including the proceeds under the Offer and U.S. Private Placement) and how those funds will be allocated are set out in the tables below.

SOURCES OF FUNDS	(US$ MMs)	(A$ MMs)	% OF FUNDS[1]
Approximate cash on hand as at 31 October 2025	25.0	38.5	14.3%
Cash proceeds received from issue of CDIs by the Company under the Offer	147.7	227.3	84.4%
Cash proceeds received from issue of CDIs by the Company under the U.S. Private Placement	2.3	3.5	1.3%
Total	**175.0**	**269.3**	**100.0%**

Notes:

1. Rounded to one decimal place.
2. The Company's cash as at 30 June 2025, as per the Company's audited annual financial statements for FY25, was US$54,500,000 (refer Section 5.8). As at 31 October 2025, the Company's cash on hand was approximately US25,000,000, which includes proceeds of US$15,000,000 raised from the Bridge Financing (refer Section 12.3 for details).

The following table shows the intended use of funds under the Offer.

USE OF FUNDS	FUNDS RAISED FROM THE OFFER AND U.S. PRIVATE PLACEMENT		% OF FUNDS RAISED FROM THE OFFER AND U.S. PRIVATE PLACEMENT[1]
	(US$ MMs)	(A$ 'MMs)	
Expansion of sales team	62.9	96.8	41.9%
Marketing and commercial support	17.7	27.2	11.8%
Product development and related activities	13.3	20.5	8.9%
Clinical, regulatory and quality	8.6	13.2	5.7%
Costs of the Offer and the U.S. Private Placement	9.3	14.3	6.2%
General & Administrative Costs	21.5	33.1	14.3%
Interest expense	7.1	10.9	4.7%
Working capital	9.6	14.8	6.4%
Total	**150.0**	**230.8**	**100.0%**

Notes:

1. Rounded to one decimal place.
2. Cash on hand is intended to be expended in the same proportions as outlined above.

The above table is a statement of current intentions as at the date of this Prospectus. Investors should be aware that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied. In addition, as the proceeds of the Offer will be received in Australian dollars and the expenditure will be in U.S. dollars, the actual amount of the proceeds used for each of the items above will depend on the A$:US$ exchange rate at the time that the funds are converted to U.S. dollars.

The Directors believe that the net proceeds of the Offer together with existing cash and the undrawn second tranche of the Perceptive Term Loan, but excluding the undrawn third tranche of the Perceptive Term Loan, will provide the Company with sufficient working capital to meet its stated objectives and satisfy its operating and capital needs through to approximately the beginning of FY28.

The Directors will consider raising further capital where and when appropriate based on its future capital requirements or to accelerate growth.

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8.5 CAPITAL AND OWNERSHIP STRUCTURE

8.5.1 Capital Structure

The following table sets out the Company's indicative capital structure immediately prior to, and following allotment, under the Offer and the U.S. Private Placement.

	PRE-ALLOTMENT	POST-ALLOTMENT		
	NUMBER	NUMBER	UNDILUTED %	FULLY DILUTED %
CDIs held by Existing Holders	164,941,080	164,941,080	65.4%	55.4%
New CDIs issued to investors under the Offer and the U.S. Private Placement	–	87,082,730	34.6%	29.2%
Subtotal (CDIs)	***164,941,080***	***252,023,810***	***100.0%***	***84.6%***
Options (Equivalent number of CDIs)	5,273,334	18,145,540	–	6.1%
RSUs (Equivalent number of CDIs)	–	25,133,870	–	8.4%
Warrants (Equivalent number of CDIs)	2,637,380	2,637,380	–	0.9%
Subtotal (Options, RSUs & Warrants) *(Equivalent number of CDIs)*	***7,910,720***	***45,916,890***	**–**	***15.4%***
Total (fully diluted in CDIs)	**172,851,800**	**297,940,600**	**–**	**100.00%**

Notes:

1. Assumes all Existing Holders hold CDIs.
2. "CDIs held by Existing Holders" does not include any CDIs which may be issued under the Offer or the U.S. Private Placement to Existing Holders.
3. Assumes no Options or Warrants are exercised or lapse before allotment.

The Company's free float (within the meaning of the Listing Rules) at the time of Listing will not be less than 20%.

Details of the securities that are expected to be subject to escrow arrangements are contained in Section 12.13.

8.5.2 Ownership structure

The following table sets out the Company's ownership structure immediately prior to, and following allotment under, the Offer and the U.S. Private Placement (but in each case assuming the Restructuring has occurred).

	PRE-ALLOTMENT			POST-ALLOTMENT		
	SECURITIES	% OF CDIs[1] (UNDILUTED)	% OF SECURITIES (FULLY DILUTED)	SECURITIES	% OF CDIs[1] (UNDILUTED)	% OF SECURITIES (FULLY DILUTED)
Action Potential Venture Capital Limited	11,561,070 CDIs 0 Options 10 Warrants	7.0%	6.7%	11,561,070 CDIs 0 Options 10 Warrants	4.6%	3.9%
Entities affiliated with FMR LLC	18,375,790 CDIs 0 Options 80 Warrants	11.1%	10.6%	18,375,790 CDIs 0 Options 80 Warrants	7.3%	6.2%
Piper Heartland Healthcare Crossover Fund I, L.P.	8,703,170 CDIs 0 Options 0 Warrants	5.3%	5.0%	8,703,170 CDIs 0 Options 0 Warrants	3.5%	2.9%
Entities affiliated with Redmile Group, LLC	50,947,640 CDIs 120 Warrants	30.9%	29.5%	50,947,640 CDIs 120 Warrants	20.2%	17.1%
TPG LSI Rise Aftershock, L.P.	25,309,380 CDIs 0 Options 0 Warrants	15.3%	14.6%	25,309,380 CDIs 0 Options 0 Warrants	10.0%	8.5%
Wellington Hadley Harbor Aggregator IV	33,746,850 CDIs 0 Options 0 Warrants	20.5%	19.5%	33,746,850 CDIs 0 Options 0 Warrants	13.4%	11.3%

8. Details of the Offer continued

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	PRE-ALLOTMENT			POST-ALLOTMENT		
	SECURITIES	% OF CDIs[1] (UNDILUTED)	% OF SECURITIES (FULLY DILUTED)	SECURITIES	% OF CDIs[1] (UNDILUTED)	% OF SECURITIES (FULLY DILUTED)
Non-executive Directors	2,923,510 CDIs 1,375,650 Options 0 Warrants	1.8%	2.5%	2,923,510 CDIs 1,375,650 Options 0 Warrants 14,647,570 RSUs	1.2%	6.4%
Key Managers	216,760 CDIs 588,770 Options 0 Warrants	0.1%	0.5%	588,770 CDIs 0 Options 7,323,780 RSUs	0.1%	2.7%
Other Existing Holders	13,156,910 CDIs 3,308,920 Options 2,637,170 Warrants	8.0%	11.1%	13,156,910 CDIs 16,181,120 Options 2,637,170 Warrants 3,162,520 RSUs	5.2%	11.8%
Subtotal CDIs	**164,941,080 CDIs 5,273,340 Options 2,637,380 Warrants**	**100.0%**	**100.0%**	**164,941,080 CDIs 18,145,540 Options 2,637,380 Warrants 25,133,870 RSUs**	**65.4%**	**70.8%**
CDIs to be issued to investors under the Offer	–			85,770,490 CDIs	34.0%	28.8%
CDIs to be issued to investors under the U.S. Private Placement				1,312,240	0.5%	0.4%
Total	**164,941,080 CDIs 5,273,340 Options 2,637,380 Warrants**	**100.0%**	**100.0%**	**252,023,810 CDIs 18,145,540 Options 2,637,380 Warrants 25,133,870 RSUs**	**100.0%**	**100.0%**

Notes:

1. Calculated on the basis of the number of CDIs held as a proportion of the total number of CDIs on issue.
2. Assumes all Shares are held as CDIs and all Warrants, Options and RSUs are exercised for CDIs.
3. Pre- and post- allotment figures are calculated on the basis described under that heading in the Important Information section at the beginning of this Prospectus.
4. Each of the securityholders listed above (or their associates or where applicable, partners or spouses) may apply for CDIs under the Offer or the U.S. Private Placement, subject to compliance with applicable laws. If such persons do apply for, and are allocated, CDIs under the Offer or the U.S. Private Placement, the figures in the above table will be affected because all CDIs to be issued to investors under the Offer or the U.S. Private Placement are listed in the row so labelled. At the time of Listing, the Company will notify ASX of the interests of its Directors and substantial holders.
5. The figures for "Entities affiliated with FMR LLC" consists of 215,913 Shares held by Fidelity Advisor Series VII: Fidelity Advisor Health Care Fund; 84,572 Shares held by Fidelity Mt. Vernon Street Trust: Fidelity Series Growth Company Fund. 327,633 Shares and 1 Warrants held by Fidelity Mt. Vernon Street Trust: Fidelity Growth Company Fund, 442,017 Shares and 2 Warrants held by Fidelity Growth Company Commingled Pool, 94,929 Shares held by Fidelity Mt. Vernon Street Trust: Fidelity Growth Company K6 Fund, 338,168 Shares held by Fidelity Select Portfolios: Health Care Portfolio, 293,080 Shares and 5 Warrants held by Fidelity Select Portfolios: Medical Technology and Devices Portfolio, 41,267 Shares held by Fidelity Central Investment Portfolios LLC: Fidelity U.S. Equity Central Fund - Health Care Sub; 50,407 Shares held by Variable Insurance Products Fund IV: VIP Health Care Portfolio and 10,313 Shares held by Variable Insurance Products Fund: VIP Stock Selector All Cap Portfolio Health Care Subportfolio. These funds and accounts are managed by direct or indirect subsidiaries of FMR LLC.
6. The figures for "Entities affiliated with Redmile Group, LLC" consists of 4,404,915 Shares and 12 Warrants held by RedCo II Master Fund, L.P., 22,629 Shares held by Redmile Capital Fund, LP, 1,697 Shares held by Redmile Capital Offshore Master Fund, Ltd., 212,845 Shares held by Redmile Capital Offshore II Master Fund, Ltd, 378,015 Shares held by Redmile Private Investments II, L.P. and 74,663 Shares held by Redmile Strategic Trading Sub, Ltd. Redmile Group, LLC (**Redmile**) is the investment manager and adviser to each of the aforementioned private investment vehicles (the **Redmile Funds**), and, in such capacity, exercises voting and investment power over all of the securities held by the Redmile Funds and may be deemed to be the beneficial owner of these securities. Jeremy C. Green serves as the principal of Redmile and also may be deemed to be the beneficial owner of these Shares and Warrants. Redmile and Mr. Green each disclaim beneficial ownership of these securities, except to the extent of its or his pecuniary interest in such securities, if any.

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8.6 TERMS AND CONDITIONS OF THE OFFER

What is the type of security being offered?	CHESS Depositary Interests (**CDIs**) over Shares of common stock in the Company. Each Share is equivalent to 10 CDIs (10 CDI: 1 Share).
What are the rights and liabilities attached to the securities?	A description of the CDIs and the Shares, including the rights and liabilities attaching to them, is set out in Sections 12.8 and 12.9.
What is the Offer Price?	A$2.65 per CDI.
What is the Offer Period?	The key dates, including details of the Offer Period relating to each component of the Offer, are set out on page 4. The timetable is indicative only and may change. All times are stated in AEDT. The Company, in consultation with the Joint Lead Managers, reserves the right to amend any and all of these dates without notice (including, subject to the Listing Rules and the Corporations Act, to close the Offer early, to extend the Closing Date, to accept late Applications (either generally or in particular cases) or to cancel the Offer before CDIs are issued by the Company). If the Offer is cancelled before the issue of CDIs, then all Application Monies will be refunded in full (without interest).
Is the Offer underwritten?	Yes, the Offer is fully underwritten by the Underwriter. Please see Section 9.6 for a summary of the Underwriting Agreement.
What is the minimum and maximum Application size under the Offer?	Applications under the Offer must be for a minimum of 755 CDIs (approximately A$2,000). There is no maximum number or value of CDIs that may be applied for under the Broker Firm Offer. The Joint Lead Managers and the Company reserve the right to treat any Applications under the Broker Firm Offer that are from persons who they reasonably believe may be Institutional Investors, as bids in the Institutional Offer. The Joint Lead Managers and the Company also reserve the right to aggregate any Applications that they believe may be multiple Applications from the same person.
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be dispatched by standard post on or about Tuesday, 2 December 2025.
When are the CDIs expected to commence trading?	It is expected that trading of the CDIs on the ASX will commence on or about Friday, 5 December 2025, on a normal settlement trading basis. It is the responsibility of each Applicant to confirm their holding before trading in CDIs. Applicants who sell CDIs before they receive an initial statement of holding do so at their own risk. The Company, the Registry and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, to persons who sell CDIs before receiving their initial statement of holding, even if such person received confirmation of allocation from the Saluda Offer Information Line, a broker or otherwise.

8. Details of the Offer continued

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Are there any escrow arrangements?	Yes, refer to Section 12.13 for details of the escrow arrangements.
Are there any tax considerations?	Yes, refer to Section 11 for details of the potential tax considerations.
Are there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of CDIs under the Offer.
What should you do with any enquiries?	All enquiries in relation to this Prospectus should be directed to the Saluda Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) from 8:30am until 5:00pm AEDT, Monday to Friday. All enquiries in relation to the Broker Firm Offer should be directed to your broker. If you are unclear in relation to any matter or are uncertain as to whether Saluda is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

8.7 ALLOCATION POLICY

The allocation of CDIs between the Institutional Offer and the Broker Firm Offer will be determined by the Joint Lead Managers in consultation with the Company.

The allocation of CDIs under the Institutional Offer will be determined by the Joint Lead Managers in consultation with the Company.

The factors that influence the allocation of CDIs between each component of the Offer and under the Institutional Offer include but are not limited to:

- the number of CDIs bid for by particular bidders;
- whether the Institutional Investor is an existing securityholder;
- the spread requirements under the Listing Rules;
- the timeliness of the bid by particular bidders;
- the Company's desire for an informed, active and liquid trading market following Listing;
- the Company's desire to establish a wide spread of both retail and institutional securityholders,
- the size and type of funds under management of particular bidders;
- the likelihood that particular bidders will be long-term securityholders;
- the likelihood that particular bidders will support the Company with aftermarket buying following Listing;
- overall level of demand under the Institutional Offer and the anticipated level of demand from brokers under the Broker Firm Offer; and
- any other factors that the Company and the Joint Lead Managers consider appropriate.

For Broker Firm Offer participants, the relevant broker will decide how it allocates CDIs among its retail clients, and it (and not the Company or the Joint Lead Managers) will be responsible for ensuring that retail clients who have received an allocation from it receive the relevant CDIs.

The Joint Lead Managers and the Company have absolute discretion regarding the allocation of CDIs to Applicants under the Offer and the Joint Lead Managers may reject or scale-back an Application. If you are not issued any CDIs, or you are issued fewer CDIs than the number that you applied and paid for as a result of a scale back, all or some of your Application Monies (as applicable) will be refunded to you (without interest) in accordance with the Corporations Act. Amounts of A$2.00 or less will be retained by the Company.

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8.8 HOW TO APPLY UNDER THE OFFER

8.7.1 Institutional Offer

The Joint Lead Managers will separately advise the Institutional Investors of the application procedures for the Institutional Offer.

8.7.2 Broker Firm Offer

Who may apply?

The Broker Firm Offer is open to persons who have received an allocation from their broker and who are residents of Australia. If you have been offered an allocation by a broker having a firm allocation, you will be treated as an Applicant under the Broker Firm Offer in respect of that allocation. You should contact your broker to determine whether they may allocate CDIs to you under the Broker Firm Offer.

How to apply

Investors who have received an allocation of CDIs in the Broker Firm Offer must follow instructions provided by their broker.

Those Applicants must complete the Application Form at the back of this Prospectus. By making an Application, you declare that you were given a copy of this Prospectus, together with an Application Form. Please contact your broker if you require further instructions.

Any Application Form for a Broker Firm Offer must be stamped by a broker so that the correct allocation of CDIs is received.

How to pay

Applicants under the Broker Firm Offer should make payments in accordance with the directions of the broker from whom you received an allocation.

Timing for Applications and confirmation

Applicants under the Broker Firm Offer should send their completed Broker Firm Application Form and Application Monies to their broker by the Closing Date.

Please confirm with your broker the manner in which you should make your payment.

Saluda, the Joint Lead Managers and the Registry take no responsibility for any acts or omissions committed by your broker in connection with your Application.

Closing Date for receipt of Applications

The Broker Firm Offer opens on Monday, 17 November 2025 and is expected to close on Friday, 21 November 2025. Saluda may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications either generally or in particular cases. The Offer may be closed at any earlier date and time, without further notice. Your broker may also impose an earlier closing date.

Applicants applying for CDIs using a paper form under the Broker Firm Offer are encouraged to submit an Application Form and Application Monies to their broker as early as possible in advance of the Closing Date and to allow a sufficient period for mail processing time.

How to obtain a copy of this Prospectus

Please contact your broker for instructions. You may also obtain a copy of this Prospectus as follows:

- You can download an electronic copy at www.computersharecas.com.au/saludaipo; or
- Request a copy from the Registry by calling the Saluda Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEDT) Monday to Friday.

While you may obtain a copy of these documents as set out above, your Application will not be accepted under the Broker Firm Offer if it is not lodged through your broker.

8. Details of the Offer continued

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8.9 ABOUT THE CDIs

The ASX uses an electronic system called CHESS for the clearance and settlement of trades on the ASX. Saluda is incorporated in the state of Delaware in the United States, which does not recognise the CHESS system of holding securities or electronic transfers of legal title to Shares. To enable companies such as Saluda to have their securities cleared and settled electronically through CHESS, depositary instruments called CDIs are issued. Pursuant to the ASX Settlement Operating Rules, CDI holders receive all of the economic benefits of actual ownership of the underlying shares. CDIs are traded in a manner similar to shares of Australian companies listed on the ASX.

What is the principal difference between holding CDIs and holding Shares?

The principal difference between holding CDIs and holding the underlying Shares is that the CDI Holder will hold a beneficial interest in Shares, but not legal title. The legal title to the Shares will instead be held by a depositary, CHESS Depositary Nominees Pty Limited (**CDN**), which is a wholly-owned subsidiary of the ASX. CDN is an approved general participant of ASX Settlement.

CDIs will be held in uncertificated form and settled and transferred through CHESS. No share certificates will be issued to CDI Holders. Shareholders cannot trade their Shares on the ASX without first converting their Shares into CDIs.

The Shares underlying the CDIs will be registered in the name of CDN and will be held on behalf of and for the benefit of the CDI Holder. CDIs will be CHESS-approved from the date of Official Quotation in accordance with the Listing Rules and the ASX Settlement Operating Rules. The Shares underlying the CDIs will rank equally with the other Shares on issue in Saluda. Investors should note that there are certain differences between Shares in Saluda and ordinary shares which are typically issued by Australian incorporated public companies. A summary of the key rights attaching to CDIs and Shares is set out in Sections 12.8 and 12.9.

Holders of CDIs can choose to have their CDIs converted to a direct holding of Shares as described in Section 12.8, however, if they do so they will no longer be able to trade on the ASX. Similarly, subject to any restrictions under applicable law, holders of Shares may choose to convert their Shares to CDIs to enable them to trade on the ASX, as described in Section 12.8.

8.10 FEES AND COSTS ASSOCIATED WITH THE OFFER

No brokerage, commission or stamp duty is payable by Applicants on the acquisition of CDIs under the Offer.

8.11 APPLICATION MONIES

All Application Monies will be held by the broker, Saluda's Registry or the Joint Lead Managers, on trust in a separate account, until CDIs are issued to Successful Applicants.

Application Monies will be refunded in A$ to the extent that an Application is rejected or scaled back, or the Offer is withdrawn. Amounts of A$2.00 or less will be retained by the Company. No interest will be paid on refunded amounts. Saluda will retain any interest earned on Application Monies.

8.12 TRADING ON THE ASX

No later than seven days after the date of this Prospectus, Saluda will apply to the ASX for admission to the Official List of the ASX and for the CDIs to be granted Official Quotation by the ASX. Saluda is not currently seeking a listing of its Shares or any CDIs on any other stock exchange.

The admission of Saluda to the Official List of the ASX and Official Quotation of the CDIs is not to be taken in any way as an indication of the merits of Saluda or the CDIs offered for subscription under the Offer.

The ASX takes no responsibility for the contents of this Prospectus. Trading in CDIs, if quotation is granted, will commence as soon as practicable after the issue of holding statements to Successful Applicants.

It is the responsibility of Applicants to determine their allocation prior to trading in the CDIs. Applicants who sell CDIs before they receive confirmation of their allotment may contravene the Listing Rules and do so at their own risk.

If permission for quotation of the CDIs is not granted within three months after the date of this Prospectus, all Application Monies will be refunded without interest as soon as practicable.

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Subject to the ASX granting approval for Saluda to be admitted to the Official List of the ASX, Saluda will issue of CDIs to Successful Applicants as soon as practicable after the Closing Date. Commencement of trading on the ASX is expected to occur on Friday, 5 December 2025, initially on a deferred settlement basis. Holding statements confirming Applicants' allocations under the Offer are expected to be sent to Successful Applicants on or around Tuesday, 2 December 2025. Applicants under the Offer will be able to call Saluda's Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm AEDT, from Monday to Friday to confirm their allocation.

Trading of CDIs on the ASX is expected to commence on Friday, 5 December 2025 on a normal settlement basis.

If you sell CDIs before receiving an initial holding statement, you may contravene the Listing Rules and do so at your own risk, even if you have obtained details of your holding from your broker or Saluda's Offer Information Line.

8.13 CHESS AND ISSUER SPONSORED HOLDINGS

The Company will apply to participate in CHESS and will comply with the Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are affected in an electronic form.

When the CDIs become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two subregisters, being an electronic CHESS subregister or an issuer sponsored subregister. For all Successful Applicants, the CDIs of a CDI Holder who is a participant in CHESS or a CDI Holder sponsored by a participant in CHESS will be registered on the CHESS subregister. All other CDIs will be registered on the issuer sponsored subregister.

Following allotment under the Offer, CDI Holders will be sent a holding statement that sets out the number of CDIs that have been allocated to them. This statement will also provide details of a CDI Holder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Securityholder Reference Number (**SRN**) of issuer sponsored holders. CDI Holders will subsequently receive statements showing any changes to their holding. Certificates will not be issued.

CDI Holders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the CDI Holder's sponsoring broker in the case of a holding on the CHESS subregister or through the Registry in the case of a holding on the issuer sponsored subregister.

The Company and the Registry may charge a fee for these additional issuer sponsored statements.

8.14 OVERSEAS JURISDICTIONS

This Prospectus does not constitute an offer in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer. No action has been taken to register or qualify the CDIs or the Offer under this Prospectus, or to permit a public offering of CDIs in any jurisdiction other than Australia.

The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law. It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to their Application.

8.14.1 New Zealand

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (the **FMC Act**).

The New CDIs are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

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8.14.2 United Kingdom

Neither this Prospectus nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New CDIs.

The New CDIs may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New CDIs has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated ("relevant persons"). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

8.14.3 Singapore

This Prospectus and any other materials relating to the New CDIs have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New CDIs, may not be issued, circulated or distributed, nor may the New CDIs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**) or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the New CDIs being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New CDIs. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

8.14.4 Hong Kong

WARNING: This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). Accordingly, this Prospectus may not be distributed, and the New CDIs may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New CDIs has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New CDIs that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New CDIs may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

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8.14.5 European Union (excluding Austria)

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Prospectus may not be made available, nor may the New CDIs be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the **Prospectus Regulation**).

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New CDIs in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

8.14.6 United States

The CDIs have not been registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any U.S. person without being so registered or pursuant to an exemption from registration.

This Prospectus may be distributed, and the CDIs will only be offered and sold, in the United States (i) by the Company to "accredited investors" (as defined in Rule 501(a) under the U.S. Securities Act) and (ii) by a registered U.S. broker-dealer affiliate of Bell Potter to "institutional accredited investors" (within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the U.S. Securities Act) and only if this Prospectus is accompanied by a U.S. Offering Circular.

Any failure to comply with the foregoing restrictions could constitute a violation of U.S. securities laws. Offers of CDIs will only be made in places in which, or to persons to whom, it would be lawful to make such offers.

8.15 DISCRETION REGARDING THE OFFER

Saluda may, in consultation with the Joint Lead Managers, withdraw the Offer, or any part of it, at any time before the allotment of CDIs to Successful Applicants in the applicable part of the Offer. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded. No interest will be paid on unsuccessful Applications.

Saluda also reserves the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant or bidder fewer CDIs than applied or bid for.

8.16 QUESTIONS OR FURTHER INFORMATION

If you have any queries in relation to this Prospectus, including how to complete the Application Form or how to obtain additional copies, then you can:

- call the Saluda Offer Information Line on 1300 850 505 (toll free within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEDT), Monday to Friday; or
- visit www.computersharecas.com.au/saludaipo to download an electronic copy of the Prospectus.

If you are unclear in relation to any matter or are uncertain as to whether Saluda is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

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9. Material contracts

9. Material contracts

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9.1 INTRODUCTION

The Directors consider that the material contracts described below are those which an investor would reasonably regard as material and which investors and their professional advisers would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of an investment in the Company under the Offer.

This Section contains a summary of the material contracts and arrangements and their substantive terms which are not otherwise disclosed elsewhere in this Prospectus.

9.2 SUPPLY AGREEMENT (IPG)

Integer Holdings Corporation (formerly Greatbatch Ltd.) (**Integer**) is Saluda's single-source manufacturer of its IPG. On 21 January 2020, Saluda Australia entered into a supply agreement with Integer and its subsidiary, as amended on 1 March 2022 (the **Supply Agreement**), pursuant to which Integer agreed to manufacture this component for Saluda. The Supply Agreement contains, among other provisions, customary representations and warranties by the parties, ordering and payment and shipping terms, customary provisions with respect to the ownership of any intellectual property created during the term of the Supply Agreement, certain indemnification rights in favour of both parties, limitations of liability and customary confidentiality provisions, and minimum purchase requirements.

The Supply Agreement is scheduled to expire in February 2027. Either Saluda Australia or Integer may terminate the Supply Agreement upon written notice in the event of a payment default that is not cured within 30 days or a material breach of the Supply Agreement that is not cured within 60 days of the other party's notice of such breach, subject to certain conditions, or upon bankruptcy, insolvency or reorganisation that has not been dismissed within 60 days after commencement.

9.3 SUPPLY AND PURCHASE AGREEMENT (LEADS)

Heraeus Medical Components LLC (**Heraeus Medevio**) is the Company's single-source manufacturer of leads. On 1 November 2024, Saluda Medical Americas, Inc. entered into a Supply and Purchase Agreement with Heraeus Medevio, as amended on 14 January 2025 (the **Supply and Purchase Agreement**), pursuant to which Heraeus Medevio agreed to manufacture and supply leads for the Company. The Supply and Purchase Agreement contains, among other provisions, customary representations and warranties by the parties, ordering and payment, and shipping terms, customary provisions with respect to the ownership of any intellectual property created during the term of the Supply and Purchase Agreement, certain indemnification rights in favour of both parties, limitations of liability, and customary confidentiality provisions.

The Supply and Purchase Agreement is currently in force and may be renewed on the same terms and conditions for successive twelve-month periods. Either Saluda Medical Americas or Heraeus Medevio may terminate the Supply and Purchase Agreement upon written notice:

- if the other party materially breaches the Supply and Purchase Agreement and fails to cure such breach within 30 days of the terminating party's notice of such breach, subject to certain conditions;
- if any representation or warranty made by the other party is false or inaccurate in any material respect when made, or becomes false or inaccurate in any material respect thereafter;
- if the other party files a petition in bankruptcy, or has an involuntary petition in bankruptcy filed against it that has not been dismissed within 60 days after filing, or applies for or consent to the appointment of a receiver, custodian, trustee or liquidator, or makes a general assignment for the benefit of the creditors; or
- if the termination is without cause, with no less than one year's prior written notice.

9.4 PERCEPTIVE TERM LOAN

On 14 March 2025, the Company entered into the Perceptive Term Loan. The funding of the Perceptive Term Loan is available in up to three tranches. The first tranche of US$75.0 million was funded in March 2025 upon closing the Perceptive Term Loan. The second tranche of US$25.0 million is available through 30 June 2026, subject to certain conditions, and has not been drawn as of the date of this Prospectus. Upon completion of the Offer, Saluda expects to be able to draw down on the second tranche. The third tranche of US$25.0 million is available through 31 December 2026, subject to certain conditions, and has not been drawn as the date of this Prospectus. The proceeds from the first tranche of the Perceptive Term Loan were used to repay a term loan with Covidien and for general operating purposes.

The Perceptive Term Loan bears interest on outstanding balances of 7.5% plus the greater of (i) one-month Term SOFR and (ii) 3.5%. All interest is due and payable on the first day of each calendar month. The Perceptive Term Loan will mature on 14 March 2030. The Perceptive Term Loan is not subject to amortisation and is guaranteed by certain of Saluda's subsidiaries and secured by substantially all of Saluda's assets and the guarantors, subject to certain customary exceptions and limitations.

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The Perceptive Term Loan may be prepaid in whole or in part at any time for any reason at Saluda's option and is required to be mandatorily prepaid upon certain casualty events, an asset sale or upon any acceleration of the Perceptive Term Loan. Voluntary prepayment of the Perceptive Term Loan, mandatory prepayment of the Perceptive Term Loan and acceleration of the Perceptive Term Loan are subject to a scaled prepayment premium. The prepayment premium is 10.0% on or prior to 14 March 2025, which declines to 9.0%, 8.0%, 6.0% and 4.0% every 12 months thereafter.

The Perceptive Term Loan contains events of default, including, without limitation, events of default upon: (i) failure to make a payment pursuant to the terms of the agreement; (ii) violation of certain covenants; (iii) payment or other defaults on other indebtedness; (iv) material adverse change in the business or change in control; (v) insolvency; (vi) significant judgments; (vii) incorrectness of representations and warranties; (viii) regulatory matters; and (ix) failure by Saluda to maintain a valid and perfected lien on the collateral securing the borrowing. In the event of an event of default, the lender may terminate its commitments and declare all amounts outstanding under the Perceptive Term Loan immediately due and payable, together with accrued interest and all fees and other obligations. The amount of such repayment will include payment of any prepayment premium applicable due to the time of such payment. In addition, upon the occurrence and during the continuance of any event of default, the applicable margin will increase by 4.00% per annum.

The Perceptive Term Loan includes a number of negative covenants imposing certain restrictions on the Company's business, including, among other things, restrictions on Saluda's ability to incur indebtedness, prepay certain indebtedness, incur liens, make certain fundamental changes including mergers or dissolutions, pay dividends and make other payments, repurchases and redemptions in respect of capital stock, make loans and investments, sell assets, change the Company's lines of business, enter into transactions with affiliates and certain other corporate actions. Such negative covenants are subject to customary and other agreed-upon exceptions. The Perceptive Term Loan also includes customary affirmative covenants. The Perceptive Term Loan contains certain financial covenants relating to minimum liquidity and minimum revenue. Additionally, there are certain non-financial covenants.

The Perceptive Term Loan includes financial covenants that requires the Company to (i) maintain, at all times, a minimum aggregate balance of US$5.0 million in cash in one or more controlled accounts, and (ii) satisfy certain minimum revenue thresholds, measured for the twelve consecutive month period on each calendar quarter-end until 31 December 2029. Failure to satisfy these financial covenants would constitute an event of default under the Perceptive Term Loan.

If the second or third tranche are drawn, the Company is required to issue Perceptive with a Warrant at each closing of that tranche. Each Warrant is exercisable for 88,000 Shares at an exercise price US$17.00 per Share. The Warrants will otherwise have the same terms as the Warrant issued to Perceptive on the closing of the first tranche in March 2025 (including expiry date). See Section 12.6 for a description of the Warrants (the details of the current Warrant held by Perceptive are listed in the last row of the table in Section 12.6).

9.5 AMENDED AND RESTATED INVESTOR RIGHTS' AGREEMENT

The Company has entered into an amendment and restatement of its Investors' Rights Agreement with certain of its Shareholders (**Investors' Rights Agreement**), under which the Shareholder parties will be entitled to customary U.S. demand (Form S-1 and Form S-3), piggyback registration rights with respect to certain of their Shares. These rights are described in more detail below. In addition, Saluda will pay certain expenses for those Shares to be registered pursuant to the demand and piggyback registration rights described below. The registration rights will expire on the earliest of: (i) the closing of a deemed liquidation event, (ii) at such time as the relevant Shareholder can sell all of their Shares pursuant to Rule 144 after Listing, (iii) the fifth anniversary of the Allotment Date, or (iv) at such time the holder is no longer an affiliate of Saluda.

9.5.1 Demand registration rights on Form S-1

At any time after the earlier of (i) 6 April 2028, or (ii) beginning 180 days after the effective date of the registration statement for the Company's first underwritten public offering of its common stock under the U.S. Securities Act, the holders of at least 40% of the registrable securities subject to the Investors' Rights Agreement (**Registrable Securities**) may request that Saluda file a Form S-1 registration statement under the U.S. Securities Act to register all Registrable Securities requested to be included, subject to certain limitations, so long as at least 40% of the Registrable Securities then outstanding would be included in the registration. The Company is only obligated to effect one demand registration on Form S-1.

9.5.2 Demand registration rights on Form S-3

At any time after Saluda is eligible to use a Form S-3 registration statement, the holders of at least 20% of the Registrable Securities may request that Saluda file a Form S-3 registration statement under the U.S. Securities Act to register Registrable Securities, subject to certain limitations, so long as the anticipated aggregate offering price would be at least US$2,000,000. The Company is only obligated to effect up to two demand registration on Form S-3 per twelve-month period.

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9.5.3 Piggyback registration rights

If Saluda proposes to register any of its Shares under the U.S. Securities Act, other than certain excluded registrations, the holders of Registrable Securities will be entitled to notice of the registration and have the right to include their Registrable Securities in the registration, subject to certain limitations.

9.5.4 Expense and indemnification

Other than underwriting discounts and commissions, Saluda will be required to pay all expenses related to any registration effected pursuant to the exercise of the registration rights. These expenses may include all registration, filing and qualification fees; printers' and accounting fees; fees and disbursements of legal counsel; and the reasonable fees and disbursements, not to exceed US$50,000 of one counsel for the selling securityholders. Additionally, Saluda has agreed to indemnify selling holders of Registrable Securities and related parties for damages and any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which damages may result, as such expenses are incurred, with certain exceptions.

9.5.5 Potential impact of registration rights

Current Shareholders could require the Company to register their Shares for resale in the U.S. with their registration rights. Accordingly, such Shareholders would have the opportunity to liquidate their shares in the U.S. markets, which could indirectly impact the trading price of the CDIs.

9.6 UNDERWRITING AGREEMENT

The Offer is being managed by the Joint Lead Managers and fully underwritten by the Underwriter pursuant to the Underwriting Agreement.

Saluda and the Joint Lead Managers signed the Underwriting Agreement on 7 November 2025. Under the Underwriting Agreement, the Company appointed the Joint Lead Managers to arrange and manage the Offer and the Underwriter to act as underwriter for the Offer. The following is a summary of the principal provisions of the Underwriting Agreement.

9.6.1 Fees

Subject to the Underwriter satisfying its underwriting obligations under the Underwriting Agreement, Saluda has agreed to pay the Joint Lead Managers:

- a selling fee equal to 3.0% of the Offer proceeds to the Joint Lead Managers in the following proportions:
- Bell Potter: 50%;
- Morgans: 30%;
- E&P: 20%; and
- an underwriting fee equal to 2.0% of the Offer proceeds to the Underwriter.

The fees of Commonwealth Securities Limited as Co-Manager will be paid by the Joint Lead Managers out of the above fees.

Saluda has also agreed to pay, or reimburse, the Joint Lead Managers for reasonable costs of and incidental to the Offer, including legal fees up to a specified cap.

9.6.2 Representations, warranties and undertakings

The Underwriting Agreement contains certain standard representations, warranties and undertakings provided by Saluda to the Joint Lead Managers. The representations and warranties relate to matters including power, incorporation and authorisations, compliance with applicable laws and Listing Rules, documents issued or published by or on behalf of Saluda in respect of the Offer, the conduct of the Offer, the due diligence process, litigation, material contracts, solvency, intangible property, insurance, internal controls, tax, ownership of assets, financing and financial information.

Saluda provides undertakings under the Underwriting Agreement which include, but are not limited to, notifications of breach of any representation, warranty or undertaking given by it under the Underwriting Agreement, or the occurrence of a termination event, or the non-satisfaction of any condition.

Saluda's undertakings also include that they will not, during the period following the date of the Underwriting Agreement until 90 days after the Allotment Date, issue or agree to issue, offer for subscription or grant any option over, any Shares, CDIs, options or other securities of the Company (or securities convertible or exchangeable into equity of the Company) or permit any member of the Group to do any of the foregoing, without the prior written consent of the Joint Lead Managers, other than the issue of the New CDIs or pursuant to a non-underwritten dividend, a distribution plan, an employee incentive

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plan, or otherwise to employees or officers of Saluda or as a result of the conversion or exercise of any such securities or otherwise on issue at the date of the Underwriting Agreement. Saluda must also carry on its business and procure that each member of the Group carries on its business in the ordinary course and not dispose of, or agree to dispose of, a member of the Group's business or property or acquire, or agree to acquire any business or property in whole or part, or enter into any material agreement or related commitment, or enter into any other equity or debt financing of any type, without the prior written consent of the Joint Lead Managers, except as disclosed to the Joint Lead Managers (**Offer Documents**).

9.6.3 Indemnity

Subject to certain exclusions relating to, among other things, fraud, wilful misconduct or gross negligence by any indemnified party, Saluda agrees to indemnify and hold harmless the Joint Lead Managers and their respective indemnified parties (for example, their related bodies corporate and each of their respective directors, officers, employees, agents and advisers) against all losses directly or indirectly suffered or incurred by them in connection with the Offer, the Offer Documents or otherwise in connection with the Underwriting Agreement.

9.6.4 Termination events

Any Joint Lead Managers may terminate the Underwriting Agreement without cost or liability by notice to Saluda and the other Joint Lead Managers if certain events occur at any time on or before 4.00 pm on the Settlement Date, including the following:

(a) (**disclosures in Offer Documents**) a Joint Lead Manager forms the view that a statement in the Offer Documents is at the time of publication, or in the case of the Prospectus, is or becomes misleading or deceptive (including by omission), is likely to mislead or deceive or becomes misleading or deceptive, or a material matter is omitted from the Offer Documents;

(b) (**new circumstances**) a new circumstance arises after the Prospectus is lodged, that would have been required to be included in the Prospectus if it had arisen before lodgement (as applicable), that is materially adverse from the point of view of an investor;

(c) (**supplementary prospectus**) the Company issues or, in the reasonable opinion of a Joint Lead Manager, is required to issue, a supplementary prospectus because of the operation of section 719(1) of the Corporations Act, or the Company lodges a supplementary prospectus with ASIC in a form and substance that has not been approved by the Joint Lead Managers in accordance with the applicable provisions in the Underwriting Agreement;

(d) (**adverse change**) an event occurs which is, or is likely to give rise to, a material adverse effect;

(e) (**market fall**) at any time the S&P/ASX 300 Index falls to a level that is 90% or less of the level as at the close of trading on the business day immediately prior to the date of the Underwriting Agreement and remains below that level:

  (i) at the close of trading on ASX for two consecutive business days; or

  (ii) at the close of trading on ASX on the business day immediately prior to the Settlement Date;

(f) (**listing and quotation**) approval is refused or not granted, or approval is granted subject to conditions other than customary conditions, to:

  (i) the Company's admission to the official list of ASX on or before the listing approval date;

  (ii) the quotation of the CDIs on ASX or for the CDIs to be traded through CHESS on or before the quotation date;

  or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld;

(g) (**ASX waivers and ASIC modifications**) ASX waivers or ASIC modifications obtained in satisfaction of the conditions precedent are withdrawn, revoked, qualified, amended or withheld;

(h) (**fraud**) if the Company, any of its directors, or any senior member of management either engage in, or are alleged by a government agency to have engaged in, any fraudulent conduct or activity, regardless of whether it is related to the Offer.

(i) (**unable to issue or transfer New CDIs**) the Company is prevented from allotting and issuing (as applicable) the New CDIs within the time required by the timetable, the Prospectus, the Listing Rules, by applicable laws, an order of a court of competent jurisdiction or a governmental agency;

(j) (**notifications**) any of the following notifications are made in respect of the Offer:

  (i) ASIC issues proceedings in relation to the Company;

  (ii) ASIC issues an order (including an interim order) under sections 739, 1324, 1324B or 1325 of the Corporations Act in relation to the Offer or the Offer Documents;

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(iii) ASIC gives notice of an intention to prosecute or commences proceedings against, or gives notice of an intention to commence proceedings against, the Company or any of its directors, employees or agents and any such intention, application or notice becomes public or is not withdrawn within 3 business days or if it is made within 3 business days of the Settlement Date it has not been withdrawn by the day before the Settlement Date;

(iv) ASIC holds a hearing under section 739(2) of the Corporations Act;

(v) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Offer or an Offer Document or ASIC commences any investigation or hearing under Part 3 of the ASIC Act in relation to the Offer or an Offer Document, and any such application, inquiry or hearing is not withdrawn within 3 business days or if it is made within 3 business days of the Settlement Date it has not been withdrawn by the day before the Settlement Date;

(vi) any other governmental agency commences any investigation or hearing in relation to the Offer, or any Offer Document;

(vii) any person whose consent to the issue of the Prospectus or a supplementary prospectus is required by section 720 of the Corporations Act and who has previously consented to the issue of the Prospectus or supplementary prospectus withdraws such consent;

(viii) any person who has previously consented to the inclusion of its name or any statement in the Prospectus or supplementary prospectus (other than a Joint Lead Manager) withdraws that consent; or

(ix) any person gives a notice under section 730 of the Corporations Act in relation to the Prospectus (other than a Joint Lead Manager, co-lead manager or co-manager);

(k) (**certificate not provided**) the Company does not provide a closing certificate as and when required by the Underwriting Agreement;

(l) (**withdrawal**) the Company withdraws the Prospectus or the Offer;

(m) (**timetable**) an event specified in the timetable up to and including the Settlement Date is delayed by more than 2 business days without the prior written consent of the Joint Lead Managers or in accordance with the Underwriting Agreement;

(n) (**change to Company**) the Company:

(i) other than has contemplated under the Offer, in the Prospectus or as permitted by the Underwriting Agreement, alters the issued capital of the Company or a member of the Group;

(ii) ceases or threatens to cease to carry on business; or

(iii) disposes or attempts to dispose of a substantial part of the business or property of the Group,

without the prior written consent of the Joint Lead Managers;

(o) (**insolvency events**) any member of the Group becomes insolvent, or there is an act or omission which is likely to result in a member of the Group becoming insolvent;

(p) (**legal proceedings**) any of the following occurs:

(i) a director or proposed director of the Company is charged with an indictable offence;

(ii) any director or proposed director of the Company is disqualified from managing a corporation under Part 2D.6 of the Corporations Act; or

(iii) any regulatory body commences any inquiry against any member of the Group or the Company or any of their directors or any senior managers of the Company in their capacity, or announces that it intends to take action;

(q) (**regulatory approvals**) a regulatory body withdraws, revokes or amends any regulatory approvals required for the Company to perform its obligations under the Underwriting Agreement or to carry out the transactions contemplated by the Offer Documents, such that the Company is rendered unable to perform its obligations under the Underwriting Agreement or the Offer Documents; or

(r) (**constituent documents**) the Company varies any term of its certificate of incorporation, by-laws or other constituent documents without the prior written consent of the Joint Lead Managers.

9. Material contracts continued

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In addition, if one of the following events occurs and a Joint Lead Manager believes on reasonable grounds that the event: (a) has had (or is likely to have) a materially adverse effect on: (1) the success, settlement, outcome or marketing of the Offer; (2) the ability of the Joint Lead Manager to market or promote or to settle the Offer; (3) the potential market price of the New CDIs; or (4) the willingness of investors to subscribe for the New CDIs; or (b) will (or is likely to) give rise to a liability of the Joint Lead Manager or its affiliates under, or give rise to, result in, or be involved in, a contravention by the Joint Lead Manager or its affiliates under any applicable law, then the Joint Lead Managers may at any time on or before the end of the Settlement Date of the Offer, terminate the Underwriting Agreement, without cost or liability, by notice to the Company and the other Joint Lead Managers:

(a) (**voluntary escrow agreements**) any of the voluntary escrow agreements are withdrawn, varied, terminated, rescinded, altered or amended, breached or failed to be complied with;

(b) (**future matters**) there are not, or there ceases to be, reasonable grounds in the opinion of a Joint Lead Manager, for any statement or estimate in the Offer Documents, which relate to a future matter;

(c) (**change in management**) a change (or announced change) in the board of directors (other than the appointment of Quentin Blackford), the Chief Executive Officer or the Chief Financial Officer of the Company occurs, or such person dies or becomes permanently incapacitated;

(d) (**compliance with law**) any of the Offer Documents or any aspect of the Offer do not comply with the Corporations Act, the Listing Rules, or any other applicable law or regulation;

(e) (**disclosures in public information**) a statement in any of the public information issued by Saluda is or becomes misleading or deceptive or is likely to mislead or deceive or is made without the approval of the Joint Lead Managers;

(f) (**disclosures in the due diligence report**) the due diligence report is, or becomes, false, misleading or deceptive (including by way of omission), or is likely to mislead or deceive (including by omission);

(g) (**information supplied**) any information supplied to the Joint Lead Managers by or on behalf of a member of the Group in respect of the Offer or the Group is, or is found to be, misleading or deceptive, or is likely to mislead or deceive (including by omission);

(h) (**forecasts**) any statement or estimate in the Offer Documents which relate to a future matter is unlikely to be, or becomes incapable of being, in the reasonable opinion of a Joint Lead Manager, met in the projected timeframe;

(i) (**certificate**) a statement in any closing certificate is false, misleading, inaccurate, untrue or incorrect;

(j) (**hostilities**) in respect of any one or more of Australia, New Zealand, the United States, the United Kingdom, Hong Kong, the People's Republic of China, Singapore, Japan, Russia, Ukraine, North Korea, South Korea, Israel, Iran, Syria, Lebanon or any member state of the European Union (or in any diplomatic, military, commercial or political establishment of any of these countries elsewhere in the world):

  (i) hostilities not presently existing commence (whether war is declared or not);

  (ii) a major escalation in existing hostilities occurs (whether war is declared or not);

  (iii) a declaration is made of a national emergency or war; or

  (iv) a major terrorist act is perpetrated anywhere in the world;

(k) (**material contracts**) a material contract (defined as the agreements listed in this Section 9 other than the Underwriting Agreement):

  (i) is terminated, withdrawn, rescinded, avoided or repudiated;

  (ii) is altered, amended or varied without the consent of the Joint Lead Managers (acting reasonably);

  (iii) is breached, or there is a failure by a party to comply;

  (iv) ceases to have effect, otherwise than in accordance with its terms; or

  (v) is or becomes void, voidable, illegal, invalid or unenforceable (other than by reason only of a party waiving any of its rights) or capable of being terminated, withdrawn, rescinded, avoided or withdrawn or of limited force and affect, or its performance is or becomes illegal;

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(l) (**change of law**) there is introduced, or there is a public announcement of a proposal to introduce, a new law or regulation or government policy in Australia of the Commonwealth or a State authority, including ASIC, ASX or the Reserve Bank of Australia, or any State or Territory of Australia, New Zealand, the United Kingdom, or any member state of the European Union or the United States (other than a law or policy which has been announced before the date of the Underwriting Agreement), any of which does or is reasonably likely to prohibit or restrict the Offer;

(m) (**breach of laws**) the Company or any other member of the Group contravenes the Corporations Act, the Delaware General Corporation Law, the Delaware Limited Liability Company Act, the *Competition and Consumer Act 2010* (Cth), the *Australian Securities and Investments Commission Act 2001* (Cth), its certificate of incorporation, by-laws or other constituent documents, the Listing Rules or any other applicable law or regulation;

(n) (**representations and warranties**) a representation or warranty contained in the Underwriting Agreement on the part of the Company is breached, becomes not true or correct or is not performed;

(o) (**breach**) the Company defaults on one or more of its undertakings or obligations under the Underwriting Agreement;

(p) (**legal proceedings**) material legal proceedings are commenced against Saluda, any other member of the Group or against any director of the Company or any other member of the Group in that capacity;

(q) (**disruption in financial markets**) any of the following occurs:

  (i) a general moratorium on commercial banking activities in Australia, the United Kingdom, the United States, Hong Kong, Japan, Singapore or any member state of the European Union is declared by the relevant central banking authority in those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;

  (ii) trading in all securities quoted or listed on ASX, the London Stock Exchange, the New York Stock Exchange, NASDAQ, the Tokyo Stock Exchange, Euronext or the Hong Kong Stock Exchange is suspended or limited in a material respect for at least one day on which that exchange is open for trading;

  (iii) any adverse change or disruption to the existing financial markets, political or economic conditions of, or currency exchange rates or controls in Australia, the United Kingdom, the United States, Hong Kong, Japan, Singapore or any member of the European Union or the international financial markets or any adverse change in national or international political, financial or economic conditions in any of those countries; or

  (iv) a change or development (which was not publicly known prior to the date of the Underwriting Agreement) involving a prospective adverse change in taxation laws affecting the Company or the Offer occurs; or

(r) (**encumbrance**) other than as disclosed in the Prospectus, the Company or any other member of the Group creates or agrees to create an encumbrance over the whole or a substantial part of its business or property or a person charges or encumbers the whole, or a substantial part of the business or property of the Company or the Group.

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10. Intellectual Property Report

10. Intellectual Property Report

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November 4, 2025

VIA E-MAIL

Board of Directors
Saluda Medical, Inc.
9401 James Ave. S, Suite 132
Bloomington, MN 55431, United States

Re: **Saluda Medical, Inc. Intellectual Property Portfolio Overview**

Dear Board of Directors:

This letter has been prepared by Barnes & Thornburg LLP ("Barnes & Thornburg") for inclusion in a Prospectus to be issued by Saluda Medical, Inc. (referred to in this letter with its subsidiaries as "Saluda Medical"). The information in this letter is being provided on information and belief, based on personal knowledge, firm records, and consultation with Saluda Medical, unless otherwise indicated. The schedule of Saluda Medical Patent Properties ("IP Schedule") attached hereto is accurate as of October 1, 2025.

BACKGROUND

Barnes & Thornburg is a leading U.S. law firm known for providing high value, strategic, and effective legal solutions to clients across a variety of industries and technologies. With more than 800 attorneys in offices across the United States, Barnes & Thornburg provides a full array of corporate, commercial litigation, intellectual property, and regulatory legal advice to a broad range of clients, including many of the world's most innovative companies and industry leaders as well as public and not-for-profit organizations.

Barnes & Thornburg's IP practice consists of more than 200 attorneys and agents who counsel clients through every stage of IP protection and development, including patent prosecution, portfolio counseling and development, pre-litigation dispute resolution, technology licensing, patent litigation and appeals, and post-grant proceedings, as well as copyright, trademark, trade secret and unfair competition counseling and litigation. The majority of Barnes & Thornburg's IP attorneys and other professionals have technical degrees, including in biomedical engineering, chemistry, computer science, electrical engineering, material science, mechanical engineering and life sciences-related fields, and many of our attorneys previously worked as scientists, engineers, or in-house counsel.

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This report has been prepared by Christopher C. Hoff, a Barnes & Thornburg partner who has been practicing patent preparation, prosecution and portfolio development, and management for more than fifteen years. Ms. Hoff is registered to practice before the U.S. Patent and Trademark Office and is admitted to the bar of the State of Minnesota. Mr. Hoff has been advising Saluda Medical with regard to its intellectual property portfolio and strategy since 2021 and has no financial interest in Saluda Medical other than fees for our professional services.

This letter focuses on the intellectual property assets owned by Saluda Medical (hereinafter, "Saluda Medical's IP Portfolio") and is intended to provide a general overview to aid in understanding the subject matter and scope of Saluda Medical's IP Portfolio. No legal opinion or advice is intended or offered here. For more detailed information or advice, independent specialized counsel should be consulted. While Barnes & Thornburg handles prosecution of the U.S. patent applications in Saluda Medical's IP Portfolio, the firm is not empowered to practice before the patent offices of jurisdictions outside of the United States. For patent applications outside of the United States, Saluda Medical utilizes the services of established firms of non-U.S. patent attorneys.

Saluda Medical has already amassed a sizeable patent portfolio, with 74 issued U.S. patents, 218 corresponding granted foreign patents, and 161 pending patent applications worldwide[1]. Saluda Medical is well-positioned to continue to strengthen its patent portfolio by continuing its present procedures of working with outside patent counsel to develop its patent portfolio, including filing continuation and divisional patent applications as well as new patent applications covering new innovation. It is our understanding that Saluda Medical expects to continue to strengthen its patent portfolio through its pending applications, and patent applications that will be filed in the future for devices, systems and methods related to closed-loop neuromodulation technology.

The scope of protection provided by Saluda Medical's patents is determined by the scope of the claims of Saluda Medical's patents, and the validity and enforceability of the patent cannot be guaranteed. Competitors may be able to compete with Saluda Medical by designing around the claims of Saluda Medical's patents, or by otherwise using products and techniques that are outside the scope of Saluda Medical's patents. Additionally, Saluda Medical may be prevented from practicing its technologies, including its patented technologies, due to the presence of third-party intellectual property. To date, Barnes & Thornburg is unaware of any third-party asserting any rights, or any other actions, against Saluda Medical as to the use of its intellectual property.

It is our understanding that Saluda Medical utilizes a third-party service to pay all patent maintenance and annuity fees when those are due. As of the date of this letter, all required fees for the patents and patent applications listed in the IP Schedule have been paid and those patents and applications are in good standing, to the best of Barnes & Thornburg's knowledge.

Saluda Medical additionally utilizes the services of Barnes & Thornburg for non-patent intellectual property. Saluda Medical's issued and pending trademarks are listed in Part B of the attached IP Schedule.

[1] Patent counts provided as of October 1, 2025.

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INTELLECTUAL PROPERTY

A patent for an invention is a grant of a property right by a government to an inventor or his/her assigns. In the United States, by statute, any person who "invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvements thereof, may obtain a patent," subject to the conditions and requirements of the law. The right conferred by the patent grant is "the right to exclude others from making, using, or selling" the invention. The patent right granted is not the right to make, use, or sell a product that incorporates the patented technology, but rather the right to exclude others from making, using, or selling such a product. Similar patent rights are granted in other countries. The term of a patent is typically limited to 20 years from the earliest non-provisional priority date in any particular country. Patents may be granted for a machine, a manufacture, or a process for use or manufacture.

Trademarks are generally a word or logo that indicates the source of the identified goods or services. Registration enables the owner of the mark to utilize that mark in association with specific goods or services. Trademarks may last indefinitely provided certain filings are made after registration and fees are paid at regular intervals. In the United States, renewal fees must be paid every ten years. Similar requirements exist in other countries.

All the patent applications and granted patents listed in the attached IP Schedule are currently pending or in force, to the best of Barnes & Thornburg's knowledge. Where a patent is listed in the IP Schedule as being issued, there can be no assurance that the patent is valid and enforceable. However, it should be noted in the United States, a patent granted by the U.S. Patent and Trademark Office is presumed to be valid in court proceedings. In addition, there can be no assurance that any of the pending patent applications listed in the IP Schedule will result in the issuance of a patent, or that the scope of protection provided by any patent that is granted will be identical to the scope of the application as originally filed. At the time of writing, Barnes & Thornburg is not aware of any disputes with or challenges by third parties in relation to the validity of any of the claims of the granted patents.

Saluda Medical has received IP licenses from and granted IP licenses to third parties related to development agreements, partnerships, and vendor solutions. To the best of Barnes & Thornburg's knowledge, these third-party licenses are not material to Saluda Medical's business, technology, or IP Portfolio, and the loss or termination of any of these IP licenses would not materially affect Saluda Medical's business or operations.

SALUDA MEDICAL'S TECHNOLOGIES

Based on discussions with Saluda Medical and our knowledge of Saluda Medical's patent portfolio, Barnes & Thornburg understands that Saluda Medical is involved in the development and commercialization of devices, systems, and methods for providing spinal cord stimulation ("SCS"). Specifically, Saluda Medical specializes in developing devices and systems that provide closed-loop SCS, which involves measuring neural responses to stimulation and automatically adjusting therapy based on the measured physiological feedback.

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Chronic pain is pain that persists or recurs for a longer duration of time. Chronic neuropathic pain is a type of chronic pain that results from diseased or damaged nerves. Treatment for chronic neuropathic pain often involves pain management, with the goal of effective long-term pain management being to reduce pain and improve patient quality of life. Patients who present with chronic neuropathic pain are typically placed on a treatment progression plan beginning with conventional medical management. Patients who do not respond to medical management are considered candidates for more advanced therapies, including SCS therapy. SCS therapy is a minimally invasive and reversible treatment utilizing an implantable pacemaker-like device to deliver electrical impulses that stimulate nerves in the spinal cord and interrupt the body's pain signals. Standard SCS devices stimulate the spinal cord based on a predetermined level of electrical stimulation, without measuring or adjusting stimulation based on neural activation.

Unlike standard SCS devices, Saluda Medical provides closed-loop SCS therapy by measuring the spinal cord's response to electrical stimulation through sensed evoked compound action potentials ("ECAPs"), and automatically adjusting stimulation to maintain target levels of neural activation. ECAPs are the sum of responses from the activation of multiple nerves and provide a direct measurement of the spinal cord's response to stimulation. Saluda Medical's closed-loop SCS therapy is designed to provide more effective, dose controlled SCS therapy to patients by automatically adjusting stimulation based on measured physiological responses.

THE EVOKE SYSTEM

Saluda Medical's patented product is the Evoke System, which is designed to provide closed-loop SCS therapy to patients. This product is configured to automatically adjust SCS therapy based on measured ECAPs.

The Evoke System consists of both implantable and non-implantable components, including an implantable pulse generator ("IPG"), trial stimulator, leads, charger, patient remote control and a clinical interface tablet with preinstalled software applications. The image and summary below details the components of the Evoke System.

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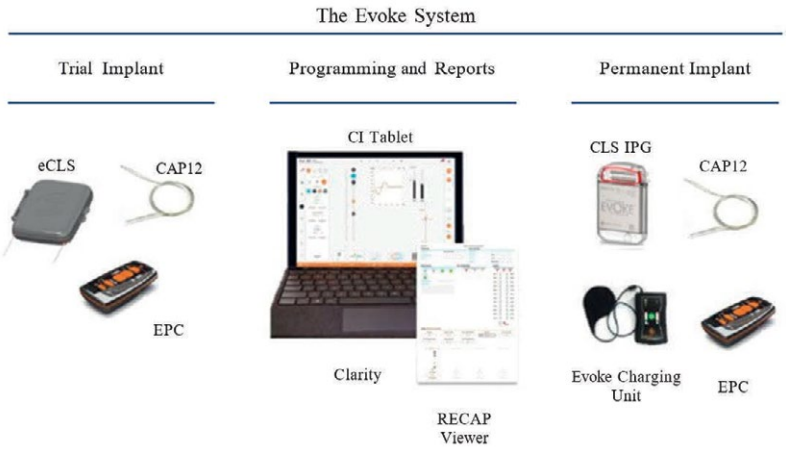

- *The Evoke Closed-Loop Stimulator IPG*: The closed-loop stimulator, or CLS, is an implanted IPG that houses the electronics and a rechargeable battery that powers the Evoke System and its delivery of closed-loop SCS therapy. The Evoke CLS is programmable by a clinician to provide SCS therapy with patient-specific dosing, which can be automatically adjusted based on physiological responses sensed by the Evoke CLS through the measurement of ECAPs.

- *The Evoke External Closed-Loop Stimulator*: The Evoke external CLS, or eCLS, is an external version of the CLS technology used during a trial stimulation period to assess the effectiveness of the therapy before proceeding to a permanent implant.

- *Evoke 12 Contact Percutaneous SCS Leads*: Both the Evoke CLS and eCLS utilize percutaneous leads that are placed in the epidural space overlying the spinal cord and are connected to the respective IPG. Each lead contains twelve electrode contacts that enable the ability to sense and deliver stimulation to targeted nerves.

- *The Evoke Charging Unit*: The charging unit is connected to a charging pad allowing a patient to recharge their CLS device wirelessly.

- *The Evoke Patient Controller*: The Evoke patient controller is a wireless remote control that allows the patient to manually adjust operation of the CLS, such as adjusting the level of neural activation delivered by the CLS, changing therapy programs, and turning the system on or off.

- *The Evoke Clinical Interface Tablet*: The Evoke clinical interface is a computer with the Clarity programming application and RECAP viewer, which are preinstalled, proprietary, software applications used by the clinician enabling device programming and patient neurophysiologic analyzation. See below for an example image of the Evoke clinical interface.

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- *Clarity Programming Application with EVA*: Clarity, enhanced by EVA, is a user interface programming software designed to interact with the CLS by optimizing the programming of the spinal cord's response to stimulation using real-time, objective measurements of neural activation. EVA was recently approved by the FDA and is designed to further refine this by automating parts of the programming process through scanning and analyzing the spinal cord to deliver precise, personalized therapy.

- *RECAP Viewer*: The RECAP viewer is a software application that uses data collected from in-clinic programming sessions via Clarity and data downloaded from the CLS to record, track, and visualize patient therapy metrics and treatment progress over time.

U.S. Patent Nos. 10,206,596; 10,426,409; 11,179,091; 11,389,098; 11,445,958; 11,826,156; and 12,279,872 are examples of patents within Saluda Medical's IP portfolio that cover the overarching Evoke System and delivery of closed-loop SCS therapy. U.S. Patent Nos. 11,344,729; 11,420,064; and 11,464,980 are examples of patents within Saluda Medical's IP portfolio that cover the Clarity and EVA programming interfaces and methodologies. Saluda Medical's IP portfolio also includes patents directed to, among other features, the power efficient IPG operation, lead and electrode assembly, IPG design and configurations, sensing with noise and artefact reduction, and systems, processes, and user interfaces for automated programming.

Representative independent claims from some of the aforementioned patents are provided below as examples of the scope of coverage provided by Saluda Medical's patent portfolio. The inclusion of the drawings associated with each patent is for illustrative purposes only and shall not be interpreted as limiting or otherwise affecting the scope of the claims of the patents described herein.

Claim 15 and Figure 2 of U.S. Patent No. 10,426,409:

> 15. An implantable device for processing a neural measurement obtained in the presence of artifact, in order to detect whether a neural response is present in the neural measurement, the device comprising:
>
> measurement circuitry for obtaining a neural measurement from one or more sense electrodes, in the presence of artifact; and

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a processor configured to correlate the neural measurement against a filter template, the filter template comprising at least three half cycles of an alternating waveform, amplitude modulated by a window; and the processor further configured to determine from an output of the correlating whether a neural response is present in the neural measurement.

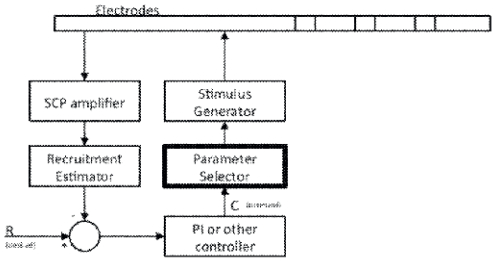

Figure 2

Claim 1 and Figure 2 of U.S. Patent No. 11,445,958:

1. A method of applying stimulus to a tissue, the method comprising:

delivering, by a plurality of stimulus electrodes, a therapeutic pulse having a first pulse width,

delivering a probe pulse having a second pulse width after the therapeutic pulse, wherein the second pulse width is less than the first pulse width, and wherein the probe pulse evokes a neural response,

measuring, by one or more sense electrodes, the neural response evoked by the probe pulse;

determining a neural recruitment caused by the probe pulse based on the neural response; and

determining a parameter for a subsequent therapeutic pulse based on the neural recruitment.

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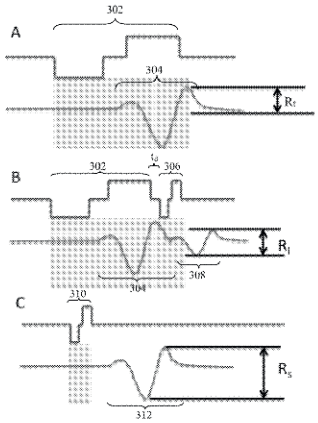

Figure 3

Claim 10 and Figure 1 of U.S. Patent No. 11,826,156:

> 10. An implantable device for delivering a neural stimulus, the device comprising:
> an array of electrodes comprising at least one nominal stimulus electrode and at least one nominal sense electrode; and
> a processor configured to cause the at least one nominal stimulus electrode to deliver a first stimulus phase and a third stimulus phase which are of a first polarity, and to deliver a second stimulus phase which is of a second polarity opposite the first polarity and which is delivered after the first stimulus phase and prior to the third stimulus phase,
> wherein the first to third stimulus phases are charge balanced, and
> wherein the first stimulus phase has a first pulse width which is unequal to a third pulse width of third stimulus phase, the second stimulus phase has a second pulse width, and the first pulse width and the third pulse width being selected so as to give rise to reduced artefact at the at least one nominal sense electrode.

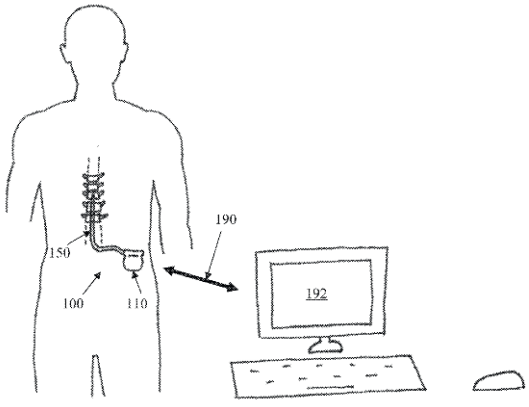

Figure 1

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Claim 1 and Figure 3 of U.S. Patent No. 11,464,980:

> 1. A method of suppressing pain by applying a neural stimulus, the method comprising:
> delivering stimuli from at least one stimulus electrode to a tissue in the dorsal column of a patient, each stimulus defined by a stimulus intensity parameter;
> measuring a neural response sensed at at least one sense electrode and evoked in response to a stimulus;
> determine from the measured evoked neural response a feedback variable;
> complete a feedback control loop by applying a proportional adjustment to the stimulus intensity parameter, wherein the proportional adjustment in proportion to an error between the feedback variable and a target intensity; and
> setting a gain based a characteristic of a neural response growth curve, wherein the neural response growth curve is a relation of a neural response intensity to the stimulus intensity parameter,
> wherein the proportional adjustment is determined by multiplying the error by the gain.

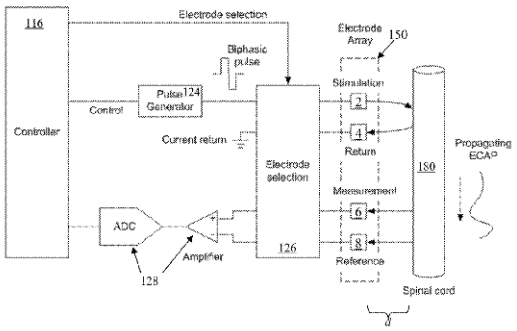

Figure 3

Saluda Medical continues to innovate its technology as well as related systems and devices, and proactively files patent applications directed toward innovations. For example, U.S. Patent Application Publication No. 2023/0241376 is directed to paddle electrode assembly; U.S. Patent Application Publication No. 2024/0366941 is directed to low power feedback-controlled neural stimulation systems; and U.S. Patent Application Publication No. 2025/0288812 is directed to improved programming of neural stimulation therapy.

SALUDA MEDICAL'S INTELLECTUAL PROPERTY PORTFOLIO

Saluda Medical files patent applications in the United States either directly or as national-stage applications that claim priority to international applications filed under the Patent Cooperation Treaty ("PCT"). Saluda Medical also pursues protection of its intellectual property outside of the United States through the prosecution of national stage applications that are either filed as direct national stage applications or claim priority to international applications under the PCT. These national stage

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applications typically share subject matter with related U.S. applications and have been filed in select jurisdictions, namely Australia, Canada, China, Europe, and Japan. Saluda Medical's active issued patents and published patent applications are listed in Part A of the attached IP Schedule, and Saluda Medical's registered and pending trademarks are listed in Part B.

Best regards,



Chris Hoff, Partner
BARNES & THORNBURG LLP

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Saluda Medical | IP Asset Schedule | Part A
U.S. Patents – Granted/Issued

Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
US 12/549899	U.S.	Granted	28-Aug-09	30-Dec-14	US 8923984	4-Sep-31
US 14/117144	U.S.	Granted	12-Nov-13	12-Jul-16	US 9386934	16-Feb-33
US 15/184787	U.S.	Granted	16-Jun-16	7-May-19	US 10278600	29-Dec-32
US 16/391181	U.S.	Granted	22-Apr-19	10-May-22	US 11324427	21-Mar-33
US 18/738858	U.S.	Granted	10-Jun-24	22-Apr-25	US 12279872	11-May-32
US 18/738925	U.S.	Granted	10-Jun-24	25-Mar-25	US 12257056	11-May-32
US 14/117140	U.S.	Granted	12-Nov-13	25-Feb-20	US 10568559	11-May-32
US 16/726761	U.S.	Granted	24-Decdf-19	21-Nov-23	US 11819332	5-Dec-33
US 14/117149	U.S.	Granted	12-Nov-13	5-Jul-16	US 9381356	7-Sep-32
US 14/117152	U.S.	Granted	12-Nov-13	22-May-18	US 9974455	12-Jan-33
US 15/928040	U.S.	Granted	21-Mar-18	29-Jun-21	US 11045129	30-Mar-33
US 17/355036	U.S.	Granted	22-Jun-21	20-Sep-22	US 11445958	11-May-32
US 17/892897	U.S.	Granted	22-Aug-22	2-Apr-24	US 11944440	11-May-32
US 14/117153	U.S.	Granted	12-Nov-13	17-Mar-20	US 10588524	10-Jul-32
US 14/117586	U.S.	Granted	13-May-14	13-Oct-15	US 9155892	3-Jun-32
US 17/693577	U.S.	Granted	14-Mar-22	16-Aug-22	US 11413460	11-May-32
US 14/844929	U.S.	Granted	3-Sep-15	23-Jan-18	US 9872990	11-May-32
US 17/031749	U.S.	Granted	24-Sep-20	8-Nov-22	US 11491334	2-Feb-33
US 17/478793	U.S.	Granted	17-Sep-21	23-Aug-22	US 11420064	11-May-32
US 17/489710	U.S.	Granted	29-Sep-21	11-Oct-22	US 11464979	11-May-32
US 17/501823	U.S.	Granted	14-Oct-21	13-Sep-22	US 11439828	11-May-32
US 17/514650	U.S.	Granted	29-Oct-21	17-Jan-23	US 11554265	11-May-32
US 17/576060	U.S.	Granted	14-Jan-22	30-Aug-22	US 11426587	11-May-32
US 12/549831	U.S.	Granted	28-Aug-09	28-Jul-15	US 9089714	28-Dec-30
US 14/440873	U.S.	Granted	5-May-15	19-Feb-19	US 10206596	2-Aug-34
US 16/224641	U.S.	Granted	18-Dec-18	19-Jul-22	US 11389098	4-Apr-35
US 17/664568	U.S.	Granted	23-May-22	2-Apr-24	US 11944439	18-Nov-33
US 15/037038	U.S.	Granted	16-May-16	1-Oct-19	US 10426409	9-Jan-36
US 16/537468	U.S.	Granted	9-Aug-19	24-May-22	US 11337658	19-Apr-35
US 17/716545	U.S.	Granted	8-Apr-22	6-Feb-24	US 11890113	22-Nov-34
US 18/393080	U.S.	Granted	21-Dec-23	30-Jul-24	US 12048564	22-Nov-34
US 17/379866	U.S.	Granted	19-Jul-21	1-Jul-25	US 12343147	28-Jun-36
US 15/036395	U.S.	Granted	12-May-16	16-Nov-21	US 11172864	14-Nov-34
US 17/455012	U.S.	Granted	15-Nov-21	5-Aug-25	US 12376780	26-Jan-36
US 17/804846	U.S.	Granted	31-May-22	29-Apr-25	US 12285263	27-Nov-35
US 15/307770	U.S.	Granted	28-Oct-16	6-Aug-19	US 10368762	6-Dec-35
US 16/532364	U.S.	Granted	5-Aug-19	4-Oct-22	US 11457849	9-Apr-36
US 15/327981	U.S.	Granted	20-Jan-17	28-Apr-20	US 10632307	19-Jan-37
US 16/823296	U.S.	Granted	18-Mar-20	9-Nov-21	US 11167129	27-Jul-35
US 18/317715	U.S.	Granted	15-May-23	20-Aug-24	US 12064620	27-Jul-35
US 18/765563	U.S.	Granted	8-Jul-24	9-Sep-25	US 12409318	27-Jul-35

10. Intellectual Property Report continued

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Saluda Medical | IP Asset Schedule | Part A
U.S. Patents – Granted/Issued

Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
US 15/527314	U.S.	Granted	16-May-17	18-May-21	US 11006846	11-Apr-37
US 17/223498	U.S.	Granted	6-Apr-21	17-Jun-25	US 12329527	17-Nov-35
US 15/535014	U.S.	Granted	9-Jun-17	17-Mar-20	US 10588698	17-Jan-36
US 18/330311	U.S.	Granted	6-Jun-23	12-Nov-24	US 12138055	30-Nov-35
US 15/561960	U.S.	Granted	26-Sep-17	19-Jan-21	US 10894158	27-Sep-36
US 17/121545	U.S.	Granted	14-Dec-20	26-Mar-24	US 11938320	30-Nov-36
US 12/549457	U.S.	Granted	28-Aug-09	25-Nov-14	US 8897888	4-Apr-32
US 15/535008	U.S.	Granted	9-Jun-17	10-Dec-19	US 10500399	2-Feb-36
US 16/669393	U.S.	Granted	30-Oct-19	11-Jan-22	US 11219766	11-Dec-35
US 17/532725	U.S.	Granted	22-Nov-21	31-May-22	US 11344729	11-Dec-35
US 17/724652	U.S.	Granted	20-Apr-22	11-Oct-22	US 11464980	11-Dec-35
US 17/818193	U.S.	Granted	8-Aug-22	20-Aug-24	US 12064632	17-Dec-35
US 15/544515	U.S.	Granted	18-Jul-17	16-Feb-21	US 10918872	19-Jan-36
US 15/576670	U.S.	Granted	22-Nov-17	7-Sep-21	US 11110270	31-May-36
US 15/576676	U.S.	Granted	22-Nov-17	1-Dec-20	US 10849525	27-Jul-36
US 15/574478	U.S.	Granted	15-Nov-17	18-May-21	US 11006857	20-Nov-36
US 16/311526	U.S.	Granted	19-Dec-18	23-Nov-21	US 11179091	30-Dec-37
US 17/510264	U.S.	Granted	25-Oct-21	28-Nov-23	US 11826156	15-Oct-37
US 16/091428	U.S.	Granted	4-Oct-18	7-Dec-21	US 11191966	5-Apr-37
US 17/454237	U.S.	Granted	9-Nov-21	12-Nov-24	US 12138457	11-Jun-38
US 15/775243	U.S.	Granted	10-May-18	3-Aug-21	US 11077296	7-Mar-37
US 16/489642	U.S.	Granted	28-Aug-19	22-Oct-24	US 12121715	9-Jan-40
US 16/489908	U.S.	Granted	29-Aug-19	28-Sep-21	US 11129980	30-Apr-38
US 17/285407	U.S.	Granted	14-Apr-21	1-Oct-24	US 12102827	27-Jun-41
US 17/387831	U.S.	Granted	28-Jul-21	16-Jan-24	US 11872387	26-Oct-41
US 16/969886	U.S.	Granted	13-Aug-20	25-Apr-23	US 11633602	15-Feb-39
US 17/050788	U.S.	Granted	26-Oct-20	2-Apr-24	US 11944820	11-Jan-41
US 13/512115	U.S.	Granted	13-Aug-12	7-Jul-15	US 9072910	4-Dec-31
US 17/065687	U.S.	Granted	8-Oct-20	13-Jun-23	US 11672976	21-Nov-40
US 13/512172	U.S.	Granted	13-Aug-12	28-Jul-15	US 9089715	27-Feb-32
US 17/412001	U.S.	Granted	25-Aug-21	10-Jun-25	US 12324922	15-Oct-43
US 17/936340	U.S.	Granted	28-Sep-22	2-Sep-25	US 12403317	4-Oct-43
US 17/812959	U.S.	Granted	15-Jul-22	17-Jun-25	US 12329971	15-Jul-42

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Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
EP 12785669.8	Austria	Granted	11-May-12	22-Aug-18	AT 1031769	11-May-32
EP 12785669.8	Belgium	Granted	11-May-12	22-Aug-18	BE 2707096	11-May-32
EP 12785669.8	Switzerland	Granted	11-May-12	22-Aug-18	CH 2707096	10-May-32
EP 12785669.8	Germany	Granted	11-May-12	22-Aug-18	DE 602012050155	11-May-32
EP 12785669.8	Denmark	Granted	11-May-12	22-Aug-18	DK 2707096	11-May-32
EP 12785669.8	Spain	Granted	11-May-12	22-Aug-18	ES 2694156	11-May-32
EP 12785669.8	Finland	Granted	11-May-12	22-Aug-18	FI 2707096	11-May-32
EP 12785669.8	France	Granted	11-May-12	22-Aug-18	FR2707096	11-May-32
EP 12785669.8	United Kingdom	Granted	11-May-12	22-Aug-18	GB 2707096	10-May-32
EP 12785669.8	Ireland	Granted	11-May-12	22-Aug-18	IE 2707096	11-May-32
EP 12785669.8	Italy	Granted	11-May-12	22-Aug-18	IT 2707096	11-May-32
EP 12785669.8	Netherlands	Granted	11-May-12	22-Aug-18	NL 2707096	10-May-32
EP 12785669.8	Sweden	Granted	11-May-12	22-Aug-18	SE 2707096	11-May-32
AU 2012255671	Australia	Granted	29-Nov-13	19-Jan-17	AU 2012255671	11-May-32
CA 2835486	Canada	Granted	8-Nov-13	19-Jul-22	CA 2835486	11-May-32
CN 201280033909	China	Granted	8-Jan-14	20-Jan-16	CN 103648583	11-May-32
JP 2014509565	Japan	Granted	12-Nov-13	24-Feb-17	JP 6096759	11-May-32
EP 18159680	Austria	Granted	2-Mar-18	11-Aug-21	AT 1418750	11-May-32
EP 18159680	Switzerland	Granted	2-Mar-18	11-Aug-21	CH 3357533	10-May-32
EP 18159680	Germany	Granted	2-Mar-18	11-Aug-21	DE 602012076426	11-May-32
EP 18159680	Denmark	Granted	2-Mar-18	11-Aug-21	DK 3357533	11-May-32
EP 18159680	Spain	Granted	2-Mar-18	11-Aug-21	ES 2898062	11-May-32
EP 18159680	France	Granted	2-Mar-18	11-Aug-21	FR 3357533	11-May-32
EP 18159680	United Kingdom	Granted	2-Mar-18	11-Aug-21	GB 3357533	10-May-32
EP 18159680	Ireland	Granted	2-Mar-18	11-Aug-21	IE 3357533	11-May-32
EP 18159680	Italy	Granted	2-Mar-18	11-Aug-21	IT 3357533	11-May-32
EP 18159680	Netherlands	Granted	2-Mar-18	11-Aug-21	NL 3357533	10-May-32
EP 18159680	Sweden	Granted	2-Mar-18	11-Aug-21	SE 3357533	11-May-32
EP 21190435	Switzerland	Granted	9-Aug-21	7-Dec-22	CH 3925662	10-May-32
EP 21190435	Germany	Granted	9-Aug-21	7-Dec-22	DE 602012079105	11-May-32
EP 21190435	France	Granted	9-Aug-21	7-Dec-22	FR 3925662	11-May-32
EP 21190435	United Kingdom	Granted	9-Aug-21	7-Dec-22	GB 3925662	10-May-32
EP 21190435	Sweden	Granted	9-Aug-21	7-Dec-22	SE 3925662	11-May-32
EP 12785483.4	Austria	Granted	11-May-12	2-May-18	AT 994375	11-May-32
EP 12785483.4	Belgium	Granted	11-May-12	2-May-18	BE 2707087	11-May-32
EP 12785483.4	Germany	Granted	11-May-12	2-May-18	DE 602012045979	11-May-32
EP 12785483.4	France	Granted	11-May-12	2-May-18	FR 2707087	11-May-32
EP 12785483.4	United Kingdom	Granted	11-May-12	2-May-18	GB 2707087	10-May-32
EP 12785483.4	Ireland	Granted	11-May-12	2-May-18	IE 2707087	11-May-32
EP 12785483.4	Netherlands	Granted	11-May-12	2-May-18	NL 2707087	10-May-32
EP 12785483.4	Sweden	Granted	11-May-12	2-May-18	SE 2707087	11-May-32

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Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
AU 2012255676	Australia	Granted	29-Nov-13	6-Apr-17	AU 2012255676	11-May-32
CA 2835448	Canada	Granted	8-Nov-13	18-Aug-20	CA 2835448	11-May-32
CN 201280034678	China	Granted	13-Jan-14	9-Mar-16	CN 103842022	11-May-32
EP 18192061	Germany	Granted	31-Aug-18	2-Nov-22	DE 602012078972	11-May-32
EP 12785619.3	Austria	Granted	11-May-12	26-Sep-18	AT 1045293	11-May-32
EP 12785619.3	Belgium	Granted	11-May-12	26-Sep-18	BE 2707095	11-May-32
EP 12785619.3	Switzerland	Granted	11-May-12	26-Sep-18	CH 2707095	10-May-32
EP 12785619.3	Germany	Granted	11-May-12	26-Sep-18	DE 602012051546	11-May-32
EP 12785619.3	Denmark	Granted	11-May-12	26-Sep-18	DK 2707095	11-May-32
EP 12785619.3	Spain	Granted	11-May-12	26-Sep-18	ES 2698902	11-May-32
EP 12785619.3	Finland	Granted	11-May-12	26-Sep-18	FI 2707095	11-May-32
EP 12785619.3	France	Granted	11-May-12	26-Sep-18	FR 2707095	11-May-32
EP 12785619.3	United Kingdom	Granted	11-May-12	26-Sep-18	GB 2707095	10-May-32
EP 12785619.3	Ireland	Granted	11-May-12	26-Sep-18	IE 2707095	11-May-32
EP 12785619.3	Italy	Granted	11-May-12	26-Sep-18	IT 2707095	11-May-32
EP 12785619.3	Netherlands	Granted	11-May-12	26-Sep-18	NL 2707095	10-May-32
EP 12785619.3	Sweden	Granted	11-May-12	26-Sep-18	SE 2707095	11-May-32
AU 2012255675	Australia	Granted	29-Nov-13	16-Mar-17	AU 2012255675	11-May-32
AU 2017201110	Australia	Granted	17-Feb-17	2-Jan-20	AU 2017201110	11-May-32
EP 13852669.4	Germany	Granted	6-Nov-13	23-Sep-20	DE 602013072822	6-Nov-33
EP 13852669.4	France	Granted	6-Nov-13	23-Sep-20	FR 2908904	6-Nov-33
EP 13852669.4	United Kingdom	Granted	6-Nov-13	23-Sep-20	GB 2908904	5-Nov-33
AU 2013344311	Australia	Granted	30-Mar-15	15-Mar-18	AU 2013344311	6-Nov-33
EP 14863597.2	United Kingdom	Granted	22-Nov-14	3-Jan-24	GB 3071100	21-Nov-34
EP 14863597.2	Unitary Patent	Granted	22-Nov-14	3-Jan-24	UP 3071100	22-Nov-34
AU 2014353891	Australia	Granted	3-Jun-16	21-May-20	AU 2014353891	22-Nov-34
CA 2929874	Canada	Granted	6-May-16	13-Jun-23	CA 2929874	22-Nov-34
JP 2016533127	Japan	Granted	24-Jun-16	5-Mar-20	JP 6671021	22-Nov-34
EP 13853514.1	Germany	Granted	6-Nov-13	23-Sep-20	DE 602013072826	6-Nov-33
EP 13853514.1	France	Granted	6-Nov-13	23-Sep-20	FR 2908905	6-Nov-33
EP 13853514.1	United Kingdom	Granted	6-Nov-13	23-Sep-20	GB 2908905	5-Nov-33
AU 2013344312	Australia	Granted	30-Mar-15	21-Jun-18	AU 2013344312	6-Nov-33
EP 14861553.7	Germany	Granted	14-Nov-14	2-Apr-25	DE 602014091758	14-Nov-34
EP 14861553.7	Spain	Granted	14-Nov-14	2-Apr-25	ES 3033225	14-Nov-34
EP 14861553.7	France	Granted	14-Nov-14	2-Apr-25	FR 3068296	14-Nov-34
EP 14861553.7	United Kingdom	Granted	14-Nov-14	2-Apr-25	GB 3068296	13-Nov-34
AU 2014351064	Australia	Granted	3-Jun-16	17-Oct-19	AU 2014351064	14-Nov-34
CA 2929971	Canada	Granted	9-May-16	7-Mar-23	CA 2929971	14-Nov-34
JP 2016531046	Japan	Granted	13-May-16	6-Jul-20	JP 6730185	14-Nov-34
EP 15768956.3	Germany	Granted	27-Mar-15	7-May-25	DE 602015091592	27-Mar-35
EP 15768956.3	France	Granted	27-Mar-15	7-May-25	FR 3122247	27-Mar-35

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Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
EP 15768956.3	United Kingdom	Granted	27-Mar-15	7-May-25	GB 3122247	26-Mar-35
EP 15789515.2	Austria	Granted	5-May-15	8-Apr-20	AT 1253514	5-May-35
EP 15789515.2	Switzerland	Granted	5-May-15	8-Apr-20	CH 3139999	4-May-35
EP 15789515.2	Germany	Granted	5-May-15	8-Apr-20	DE 602015050370	5-May-35
EP 15789515.2	Denmark	Granted	5-May-15	8-Apr-20	DK 3139999	5-May-35
EP 15789515.2	Spain	Granted	5-May-15	8-Apr-20	ES 2801348	5-May-35
EP 15789515.2	France	Granted	5-May-15	8-Apr-20	FR 3139999	5-May-35
EP 15789515.2	United Kingdom	Granted	5-May-15	8-Apr-20	GB 3139999	4-May-35
EP 15789515.2	Ireland	Granted	5-May-15	8-Apr-20	IE 3139999	5-May-35
EP 15789515.2	Italy	Granted	5-May-15	8-Apr-20	IT 3139999	5-May-35
EP 15789515.2	Netherlands	Granted	5-May-15	8-Apr-20	NL 3139999	4-May-35
EP 15789515.2	Sweden	Granted	5-May-15	8-Apr-20	SE 3139999	5-May-35
AU 2015255631	Australia	Granted	29-Oct-16	21-May-20	AU 2015255631	5-May-35
CA 2944042	Canada	Granted	27-Sep-16	29-Aug-23	CA 2944042	5-May-35
CN 201580036108	China	Granted	30-Dec-16	24-Jan-20	CN 106659894	5-May-35
JP 2016566686	Japan	Granted	4-Nov-16	10-Mar-20	JP 6674385	5-May-35
EP 21154641	Germany	Granted	1-Feb-21	22-May-24	DE 602015088819	27-Jul-35
EP 21154641	France	Granted	1-Feb-21	22-May-24	FR 3838331	27-Jul-35
EP 21154641	United Kingdom	Granted	1-Feb-21	22-May-24	GB 3838331	26-Jul-35
EP 15825098.5	Germany	Granted	27-Jul-15	24-Mar-21	DE 602015067288	27-Jul-35
EP 15825098.5	Spain	Granted	27-Jul-15	24-Mar-21	ES 2873255	27-Jul-35
EP 15825098.5	France	Granted	27-Jul-15	24-Mar-21	FR 3171929	27-Jul-35
EP 15825098.5	United Kingdom	Granted	27-Jul-15	24-Mar-21	GB 3171929	26-Jul-35
EP 15825098.5	Netherlands	Granted	27-Jul-15	24-Mar-21	NL 3171929	26-Jul-35
AU 2015292272	Australia	Granted	20-Jan-17	25-Feb-21	AU 2015292272	27-Jul-35
AU 2020277131	Australia	Granted	24-Nov-20	13-Jul-23	AU 2020277131	27-Jul-35
CA 2955966	Canada	Granted	23-Jan-17	6-Dec-22	CA 2955966	27-Jul-35
EP 15861444	Germany	Granted	17-Nov-15	23-Jul-25	DE 602015092061	17-Nov-35
EP 15861444	France	Granted	17-Nov-15	23-Jul-25	FR 3215216	17-Nov-35
EP 15861444	United Kingdom	Granted	17-Nov-15	23-Jul-25	GB 3215216	16-Nov-35
AU 2015349614	Australia	Granted	3-May-17	4-Feb-21	AU 2015349614	17-Nov-35
EP 15868028.0	Germany	Granted	30-Nov-15	27-May-20	DE 602015053571	30-Nov-35
EP 15868028.0	France	Granted	30-Nov-15	27-May-20	FR 3229890	30-Nov-35
EP 15868028.0	United Kingdom	Granted	30-Nov-15	27-May-20	GB 3229890	29-Nov-35
AU 2015362075	Australia	Granted	3-May-17	24-Jun-21	AU 2015362075	30-Nov-35
EP 16775966.1	Switzerland	Granted	8-Apr-16	15-Sep-21	CH 3280487	7-Apr-36
EP 16775966.1	Germany	Granted	8-Apr-16	15-Sep-21	DE 602016063755	8-Apr-36
EP 16775966.1	France	Granted	8-Apr-16	15-Sep-21	FR 3280487	8-Apr-36
EP 16775966.1	United Kingdom	Granted	8-Apr-16	15-Sep-21	GB 3280487	7-Apr-36
EP 16775966.1	Sweden	Granted	8-Apr-16	15-Sep-21	SE 3280487	8-Apr-36
AU 2016245335	Australia	Granted	30-Jun-17	4-Mar-21	AU 2016245335	8-Apr-36

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Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
AU 2021201010	Australia	Granted	16-Feb-21	6-Jul-23	AU 2021201010	8-Apr-36
CN 201680020725	China	Granted	9-Oct-17	2-Mar-21	CN 107530543	8-Apr-36
JP 2017546830	Japan	Granted	5-Sep-17	10-May-22	JP 7071121	8-Apr-36
EP 15867019.0	Germany	Granted	11-Dec-15	17-Apr-24	DE 602015088383	11-Dec-35
EP 15867019.0	France	Granted	11-Dec-15	17-Apr-24	FR 3218046	11-Dec-35
EP 15867019.0	United Kingdom	Granted	11-Dec-15	17-Apr-24	GB 3218046	10-Dec-35
AU 2015362091	Australia	Granted	3-May-17	11-Mar-21	AU 2015362091	11-Dec-35
EP 16739680.3	Germany	Granted	19-Jan-16	17-Jun-20	DE 602016038250	19-Jan-36
EP 16739680.3	France	Granted	19-Jan-16	17-Jun-20	FR 3229893	19-Jan-36
EP 16739680.3	United Kingdom	Granted	19-Jan-16	17-Jun-20	GB 3229893	18-Jan-36
AU 2016208972	Australia	Granted	3-May-17	7-Oct-21	AU 2016208972	19-Jan-36
EP 16802237.4	Germany	Granted	31-May-16	24-Jul-24	DE 602016088564	31-May-36
EP 16802237.4	Spain	Granted	31-May-16	24-Jul-24	ES 2989752	31-May-36
EP 16802237.4	France	Granted	31-May-16	24-Jul-24	FR 3302692	31-May-36
EP 16802237.4	United Kingdom	Granted	31-May-16	24-Jul-24	GB 3302692	30-May-36
EP 16802237.4	Netherlands	Granted	31-May-16	24-Jul-24	NL 3302692	30-May-36
AU 2016269837	Australia	Granted	17-Oct-17	3-Feb-22	AU 2016269837	31-May-36
CA 2983333	Canada	Granted	19-Oct-17	19-Sep-23	CA 2983333	31-May-36
CN 201680030929	China	Granted	28-Nov-17	25-Feb-22	CN 107614055	31-May-36
JP 2018513698	Japan	Granted	29-Nov-17	10-May-22	JP 7071257	31-May-36
AU 2016273415	Australia	Granted	17-Oct-17	28-Oct-21	AU 2016273415	31-May-36
CA 2983336	Canada	Granted	19-Oct-17	28-May-24	CA 2983336	31-May-36
CN 201680030933	China	Granted	28-Nov-17	11-Jan-22	CN 107613860	31-May-36
AU 2016269843	Australia	Granted	23-Aug-17	17-Jun-21	AU 2016269843	1-Jun-36
CA 2980482	Canada	Granted	21-Sep-17	26-Sep-23	CA 2980482	1-Jun-36
CN 201680030927	China	Granted	28-Nov-17	26-Oct-21	CN 107613861	1-Jun-36
AU 2017280112	Australia	Granted	11-Dec-18	2-Mar-23	AU 2017280112	23-Jun-37
CN 201780050268	China	Granted	19-Feb-19	13-Jan-23	CN 109561849	23-Jun-37
JP 2018567067	Japan	Granted	21-Dec-18	11-May-23	JP 7278076	23-Jun-37
EP 17778477.4	Austria	Granted	5-Apr-17	2-Jun-21	AT 1397874	5-Apr-37
EP 17778477.4	Switzerland	Granted	5-Apr-17	2-Jun-21	CH 3439732	4-Apr-37
EP 17778477.4	Germany	Granted	5-Apr-17	2-Jun-21	DE 602017039715	5-Apr-37
EP 17778477.4	Denmark	Granted	5-Apr-17	2-Jun-21	DK3439732	5-Apr-37
EP 17778477.4	Spain	Granted	5-Apr-17	2-Jun-21	ES 2888773	5-Apr-37
EP 17778477.4	France	Granted	5-Apr-17	2-Jun-21	FR 3439732	5-Apr-37
EP 17778477.4	United Kingdom	Granted	5-Apr-17	2-Jun-21	GB 3439732	4-Apr-37
EP 17778477.4	Ireland	Granted	5-Apr-17	2-Jun-21	IE 3439732	5-Apr-37
EP 17778477.4	Italy	Granted	5-Apr-17	2-Jun-21	IT 3439732	5-Apr-37
EP 17778477.4	Netherlands	Granted	5-Apr-17	2-Jun-21	NL 3439732	4-Apr-37
EP 17778477.4	Sweden	Granted	5-Apr-17	2-Jun-21	SE 3439732	5-Apr-37
AU 2017246242	Australia	Granted	16-Oct-18	6-Oct-22	AU 2017246242	5-Apr-37

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Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
CA 3019701	Canada	Granted	2-Oct-18	9-Sep-25	CA 3019701	5-Apr-37
CN 201780034220	China	Granted	3-Dec-18	16-Aug-22	CN 109219467	5-Apr-37
EP 23189471	Germany	Granted	3-Aug-23	25-Dec-24	DE 602019064139	23-Oct-39
EP 23189471	France	Granted	3-Aug-23	25-Dec-24	FR 4245357	23-Oct-39
EP 23189471	United Kingdom	Granted	3-Aug-23	25-Dec-24	GB 4245357	22-Oct-39
EP 19875139.8	Germany	Granted	23-Oct-19	6-Sep-23	DE 602019037107	23-Oct-39
EP 19875139.8	France	Granted	23-Oct-19	6-Sep-23	FR 3870273	23-Oct-39
EP 19875139.8	United Kingdom	Granted	23-Oct-19	6-Sep-23	GB 3870273	22-Oct-39
AU 2019368535	Australia	Granted	21-Apr-21	25-Sep-25	AU 2019368535	23-Oct-39
AU 2018414327	Australia	Granted	10-Sep-20	22-May-25	AU 2018414327	23-Mar-38
JP 2020550782	Japan	Granted	18-Sep-20	17-Mar-23	JP 7247211	23-Mar-38
EP 19876581.0	Germany	Granted	22-Oct-19	13-Sep-23	DE 602019037614	22-Oct-39
EP 19876581.0	Spain	Granted	22-Oct-19	13-Sep-23	ES 2966511	22-Oct-39
EP 19876581.0	France	Granted	22-Oct-19	13-Sep-23	FR 3870274	22-Oct-39
EP 19876581.0	United Kingdom	Granted	22-Oct-19	13-Sep-23	GB 3870274	21-Oct-39
EP 19876581.0	Netherlands	Granted	22-Oct-19	13-Sep-23	NL 3870274	21-Oct-39
AU 2019365575	Australia	Granted	21-Apr-21	29-May-25	AU 2019365575	22-Oct-39
JP 2021521958	Japan	Granted	22-Apr-21	19-Jul-24	JP 7523740	22-Oct-39
EP 19877459.8	Germany	Granted	23-Oct-19	16-Jul-25	DE 602019072735	23-Oct-39
EP 19877459.8	France	Granted	23-Oct-19	16-Jul-25	FR 3870275	23-Oct-39
EP 19877459.8	United Kingdom	Granted	23-Oct-19	16-Jul-25	GB 3870275	22-Oct-39
AU 2019364218	Australia	Granted	19-May-21	29-May-25	AU 2019364218	23-Oct-39
EP 19754655.9	Germany	Granted	15-Feb-19	11-Sep-24	DE 602019058716	15-Feb-39
EP 19754655.9	France	Granted	15-Feb-19	11-Sep-24	FR 3752244	15-Feb-39
EP 19754655.9	United Kingdom	Granted	15-Feb-19	11-Sep-24	GB 3752244	14-Feb-39
AU 2019219879	Australia	Granted	8-Sep-20	25-Jul-24	AU 2019219879	15-Feb-39
EP 19793420.1	Germany	Granted	29-Apr-19	14-Aug-24	DE 602019057053	29-Apr-39
EP 19793420.1	Spain	Granted	29-Apr-19	14-Aug-24	ES 2993811	29-Apr-39
EP 19793420.1	France	Granted	29-Apr-19	14-Aug-24	FR 3784338	29-Apr-39
EP 19793420.1	United Kingdom	Granted	29-Apr-19	14-Aug-24	GB 3784338	28-Apr-39
EP 19793420.1	Netherlands	Granted	29-Apr-19	14-Aug-24	NL 3784338	28-Apr-39
AU 2019259564	Australia	Granted	23-Oct-20	29-May-25	AU 2019259564	29-Apr-39
EP 19826733.8	Switzerland	Granted	26-Jun-19	9-Aug-23	CH 3813928	25-Jun-39
EP 19826733.8	United Kingdom	Granted	26-Jun-19	9-Aug-23	GB 3813928	25-Jun-39
EP 19826733.8	Unitary Patent	Granted	26-Jun-19	9-Aug-23	UP 3813928	26-Jun-39
AU 2019295413	Australia	Granted	24-Dec-20	17-Jul-25	AU 2019295413	26-Jun-39
JP 2020573153	Japan	Granted	28-Dec-20	10-Nov-23	JP 7383650	26-Jun-39
AU 2019373097	Australia	Granted	21-Apr-21	12-Jun-25	AU 2019373097	2-Nov-39
JP 2021523780	Japan	Granted	30-Apr-21	4-Apr-24	JP 7466537	2-Nov-39
EP 21859425.7	Germany	Granted	30-Aug-21	13-Aug-25	DE 602021036350	30-Aug-41
EP 21859425.7	Spain	Granted	30-Aug-21	13-Aug-25	EP 4204074	30-Aug-41

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Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
EP 21859425.7	France	Granted	30-Aug-21	13-Aug-25	FR 4204074	30-Aug-41
EP 21859425.7	United Kingdom	Granted	30-Aug-21	13-Aug-25	GB 4204074	29-Aug-41
EP 19899138.2	Germany	Granted	17-Dec-19	23-Jul-25	DE 602019073076	17-Dec-39
EP 19899138.2	France	Granted	17-Dec-19	23-Jul-25	FR 3897375	17-Dec-39
EP 19899138.2	United Kingdom	Granted	17-Dec-19	23-Jul-25	GB 3897375	16-Dec-39
AU 2019408264	Australia	Granted	17-Dec-19	14-Aug-25	AU 2019408264	17-Dec-39
JP 2021534769	Japan	Granted	16-Jun-21	16-Aug-24	JP 7539888	17-Dec-39
CA 3147118	Canada	Granted	12-Jan-22	8-Jul-25	CA 3147118	13-Jul-40
JP 2022501298	Japan	Granted	11-Jan-22	28-Nov-24	JP 7595639	13-Jul-40
EP 20872394.0	Germany	Granted	1-Oct-20	27-Aug-25	DE 602020057682	1-Oct-40
EP 20872394.0	France	Granted	1-Oct-20	27-Aug-25	FR 4037757	1-Oct-40
EP 20872394.0	United Kingdom	Granted	1-Oct-20	27-Aug-25	GB 4037757	30-Sep-40
JP 2022520510	Japan	Granted	1-Apr-22	9-Dec-24	JP 7601863	1-Oct-40

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US and Non-U.S. Patents – Pending

Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
US 17/729158	U.S.	Pending	26-Apr-22			11-May-32
US 19/005750	U.S.	Pending	30-Dec-24			11-May-32
EP 23853762.5	Europe (EPO)	Pending	18-Aug-23			18-Aug-43
AU 2023326060	Australia	Pending	14-Feb-25			18-Aug-43
US 19/104489	U.S.	Pending	18-Feb-25			18-Aug-43
EP 23869344.4	Europe (EPO)	Pending	2-Oct-23			2-Oct-43
AU 2023350708	Australia	Pending	18-Mar-25			2-Oct-43
JP 2025518870	Japan	Pending	31-Mar-25			2-Oct-43
US 19/115377	U.S.	Pending	26-Mar-25			2-Oct-43
AU 2023248176	Australia	Pending	13-Oct-23			13-Oct-43
EP 23883913.8	Europe (EPO)	Pending	3-Nov-23			3-Nov-43
AU 2023371466	Australia	Pending	9-May-25			3-Nov-43
US 19/126924	U.S.	Pending	2-May-25			3-Nov-43
US 18/509170	U.S.	Pending	14-Nov-23			14-Nov-43
AU 2023263572	Australia	Pending	10-Nov-23			10-Nov-43
US 19/131653	U.S.	Pending	21-May-25			23-Nov-43
PCT/AU2024/050209	WIPO	Pending	8-Mar-24			10-Mar-27
AU 2024235993	Australia	Pending	8-Sep-25			8-Mar-44
US 19/163473	U.S.	Pending	9-Sep-25			8-Mar-44
PCT/AU2024/050319	WIPO	Pending	4-Apr-24			4-Apr-27
PCT/AU2024/050583	WIPO	Pending	31-May-24			1-Jun-27
US 18/467578	U.S.	Pending	14-Sep-23			11-May-32
PCT/AU2024/050562	WIPO	Pending	30-May-24			30-May-27
PCT/AU2024/050754	WIPO	Pending	14-Jul-24			14-Jul-27
PCT/AU2024/050889	WIPO	Pending	21-Aug-24			21-Aug-27
PCT/AU2024/051329	WIPO	Pending	9-Dec-24			8-Dec-27
US 19/002346	U.S.	Pending	26-Dec-24			26-Dec-44
PCT/AU2025/050132	WIPO	Pending	19-Feb-25			19-Feb-28
US 19/177163	U.S.	Pending	11-Apr-25			11-Apr-45
US 19/186410	U.S.	Pending	22-Apr-25			22-Apr-45
PCT/AU2025/050243	WIPO	Pending	14-Mar-25			14-Mar-28
PCT/AU2025/050249	WIPO	Pending	15-Mar-25			15-Mar-28
EP 22208737.1	Europe (EPO)	Pending	22-Nov-22			11-May-32
PCT/AU2025/050633	WIPO	Pending	13-Jun-25			13-Jun-28
US 19/288312	U.S.	Pending	1-Aug-25			1-Aug-45
PCT/AU2025/050941	WIPO	Pending	28-Aug-25			28-Aug-28
US 18/590641	U.S.	Pending	28-Feb-24			11-May-32
US 19/005785	U.S.	Pending	30-Dec-24			11-May-32
AU 2024204525	Australia	Pending	28-Jun-24			11-May-32
US 18/076915	U.S.	Pending	7-Dec-22			11-May-32
US 19/005683	U.S.	Pending	30-Dec-24			11-May-32

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US and Non-U.S. Patents – Pending

Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
US 18/588914	U.S.	Pending	27-Feb-24			6-Nov-33
US 18/745219	U.S.	Pending	17-Jun-24			22-Nov-34
US 19/007200	U.S.	Pending	31-Dec-24			22-Nov-34
US 17/815661	U.S.	Pending	28-Jul-22			5-May-35
US 19/301529	U.S.	Pending	15-Aug-25			27-Jul-35
US 18/904878	U.S.	Pending	2-Oct-24			30-Nov-35
EP 21196410.1	Europe (EPO)	Pending	13-Sep-21			8-Apr-36
CA 2973855	Canada	Pending	10-Jul-17			8-Apr-36
US 18/583405	U.S.	Pending	21-Feb-24			8-Apr-36
EP 23205630.9	Europe (EPO)	Pending	24-Oct-23			11-Dec-35
US 18/806432	U.S.	Pending	15-Aug-24			11-Dec-35
US 19/005549	U.S.	Pending	30-Dec-24			11-Dec-35
EP 16802238.2	Europe (EPO)	Pending	31-May-16			31-May-36
EP 16802245.7	Europe (EPO)	Pending	1-Jun-16			1-Jun-36
EP 17814341.8	Europe (EPO)	Pending	23-Jun-17			23-Jun-37
CA 3028241	Canada	Pending	18-Dec-18			23-Jun-37
US 18/490698	U.S.	Pending	19-Oct-23			23-Jun-37
US 19/316049	U.S.	Pending	2-Sep-25			23-Jun-37
US 18/883401	U.S.	Pending	12-Sep-24			5-Apr-37
EP 21808705.4	Europe (EPO)	Pending	18-May-21			18-May-41
AU 2021277095	Australia	Pending	8-Nov-22			18-May-41
US 17/998498	U.S.	Pending	11-Nov-22			18-May-41
EP 22752001.2	Europe (EPO)	Pending	9-Feb-22			9-Feb-42
AU 2022218912	Australia	Pending	28-Jul-23			9-Feb-42
CA 3207784	Canada	Pending	8-Aug-23			9-Feb-42
CN 202280024119	China	Pending	22-Sep-23			9-Feb-42
US 18/264239	U.S.	Pending	3-Aug-23			9-Feb-42
US 17/287495	U.S.	Pending	21-Apr-21			23-Oct-39
US 18/816172	U.S.	Pending	27-Aug-24			23-Oct-39
US 17/287419	U.S.	Pending	21-Apr-21			23-Oct-39
US 17/287501	U.S.	Pending	21-Apr-21			30-Oct-39
EP 18910394.8	Europe (EPO)	Pending	23-Mar-18			23-Mar-38
CA 3096951	Canada	Pending	16-Sep-20			23-Mar-38
US 17/040521	U.S.	Pending	22-Sep-20			23-Mar-38
CA 3117230	Canada	Pending	21-Apr-21			22-Oct-39
US 17/287494	U.S.	Pending	21-Apr-21			22-Oct-39
CA 3117417	Canada	Pending	22-Apr-21			23-Oct-39
US 17/287498	U.S.	Pending	21-Apr-21			23-Oct-39
US 18/295828	U.S.	Pending	4-Apr-23			15-Feb-39
EP 24193678.0	Europe (EPO)	Pending	8-Aug-24			29-Apr-39
CA 3098468	Canada	Pending	27-Oct-20			29-Apr-39

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US and Non-U.S. Patents – Pending

Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
US 18/443609	U.S.	Pending	16-Feb-24			29-Apr-39
CA 3104883	Canada	Pending	23-Dec-20			26-Jun-39
EP 19880039.3	Europe (EPO)	Pending	2-Jun-21			2-Nov-39
CA 3118006	Canada	Pending	28-Apr-21			2-Nov-39
US 17/287500	U.S.	Pending	21-Apr-21			2-Nov-39
EP 25193542.5	Europe (EPO)	Pending	1-Aug-25			30-Aug-41
AU 2021329995	Australia	Pending	24-Feb-23			30-Aug-41
CA 3191112	Canada	Pending	27-Feb-23			30-Aug-41
CN 202180073018	China	Pending	25-Apr-23			30-Aug-41
US 18/023340	U.S.	Pending	24-Feb-23			30-Aug-41
EP 21859426.5	Europe (EPO)	Pending	30-Aug-21			30-Aug-41
AU 2021334410	Australia	Pending	24-Feb-23			30-Aug-41
US 18/023341	U.S.	Pending	24-Feb-23			30-Aug-41
US 17/415653	U.S.	Pending	17-Jun-21			17-Dec-39
EP 20840867.4	Europe (EPO)	Pending	13-Jul-20			13-Jul-40
AU 2020313994	Australia	Pending	4-Feb-22			13-Jul-40
US 17/597596	U.S.	Pending	12-Jan-22			13-Jul-40
US 17/766188	U.S.	Pending	1-Apr-22			1-Oct-40
AU 2020358125	Australia	Pending	8-Mar-22			1-Oct-40
CA 3156307	Canada	Pending	30-Mar-22			1-Oct-40
US 17/766180	U.S.	Pending	1-Apr-22			1-Oct-40
EP 21854993.9	Europe (EPO)	Pending	13-Aug-21			13-Aug-41
AU 2021325578	Australia	Pending	13-Mar-23			13-Aug-41
CA 3191701	Canada	Pending	13-Feb-23			13-Aug-41
CN 202180069662-2	China	Pending	11-Apr-23			13-Aug-41
JP 2023511645	Japan	Pending	14-Feb-23			13-Aug-41
US 18/041679	U.S.	Pending	14-Feb-23			13-Aug-41
US 18/042777	U.S.	Pending	24-Feb-23			27-Aug-41
US 18/042772	U.S.	Pending	24-Feb-23			27-Aug-41
EP 21744791.1	Europe (EPO)	Pending	25-Jan-21			25-Jan-41
AU 2021209435	Australia	Pending	26-Jul-22			25-Jan-41
US 17/759364	U.S.	Pending	22-Jul-22			25-Jan-41
EP 22862420.1	Europe (EPO)	Pending	30-Aug-22			30-Aug-42
AU 2022338347	Australia	Pending	16-Feb-24			30-Aug-42
US 18/687119	U.S.	Pending	27-Feb-24			30-Aug-42
EP 22787171.2	Europe (EPO)	Pending	14-Apr-22			14-Apr-42
AU 2022256952	Australia	Pending	11-Oct-23			14-Apr-42
US 18/554982	U.S.	Pending	11-Oct-23			14-Apr-42
US 18/575520	U.S.	Pending	29-Dec-23			28-Jun-42
EP 22865957.9	Europe (EPO)	Pending	12-Sep-22			12-Sep-42
AU 2022343025	Australia	Pending	16-Feb-24			12-Sep-42

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US and Non-U.S. Patents – Pending

Application No.	Country	Status	Filing Date	Grant Date	Patent No.	Est. Exp. Date
US 18/689953	U.S.	Pending	7-Mar-24			12-Sep-42
US 18/163214	U.S.	Pending	1-Feb-23			1-Feb-43
US 18/185289	U.S.	Pending	16-Mar-23			16-Mar-43
EP 22908894.3	Europe (EPO)	Pending	22-Dec-22			22-Dec-42
AU 2022421950	Australia	Pending	27-May-24			22-Dec-42
JP 2024538442	Japan	Pending	24-Jun-24			22-Dec-42
US 18/722972	U.S.	Pending	21-Jun-24			22-Dec-42
US 18/719113	U.S.	Pending	12-Jun-24			22-Dec-42
US 18/722901	U.S.	Pending	21-Jun-24			23-Dec-42
EP 22908907.3	Europe (EPO)	Pending	22-Dec-22			22-Dec-42
AU 2022422211	Australia	Pending	28-May-24			22-Dec-42
JP 2024538443	Japan	Pending	24-Jun-24			22-Dec-42
US 18/722459	U.S.	Pending	20-Jun-24			22-Dec-42
US 18/722313	U.S.	Pending	20-Jun-24			22-Dec-42
US 19/212918	U.S.	Pending	20-May-25			15-Jul-42
EP 23753775.8	Europe (EPO)	Pending	14-Feb-23			14-Feb-43
AU 2023219205	Australia	Pending	23-Jul-24			14-Feb-43
US 18/837819	U.S.	Pending	12-Aug-24			14-Feb-43
EP 23818641.5	Europe (EPO)	Pending	7-Jun-23			7-Jun-43
AU 2023284476	Australia	Pending	6-Dec-24			7-Jun-43
US 18/871340	U.S.	Pending	3-Dec-24			7-Jun-43
EP 23794605.8	Europe (EPO)	Pending	28-Apr-23			28-Apr-43
AU 2023260657	Australia	Pending	18-Oct-24			28-Apr-43
JP 2024563405	Japan	Pending	25-Oct-24			28-Apr-43
US 18/859726	U.S.	Pending	24-Oct-24			28-Apr-43
US 18/314717	U.S.	Pending	9-May-23			9-May-43
US 18/832036	U.S.	Pending	22-Jul-24			30-Jan-43
US 18/169094	U.S.	Pending	14-Feb-23			14-Feb-43
US 18/164495	U.S.	Pending	4-Feb-23			4-Feb-43
US 18/178444	U.S.	Pending	3-Mar-23			3-Mar-43
US 18/188339	U.S.	Pending	22-Mar-23			22-Mar-43
US 18/301117	U.S.	Pending	14-Apr-23			14-Apr-43
EP 23814562.7	Europe (EPO)	Pending	2-Jun-23			2-Jun-43
AU 2023278784	Australia	Pending	2-Dec-24			2-Jun-43
US 18/870917	U.S.	Pending	2-Nov-24			2-Jun-43
US 18/879514	U.S.	Pending	27-Dec-24			30-Jun-43
US 18/352150	U.S.	Pending	13-Jul-23			13-Jul-43
US 18/356975	U.S.	Pending	21-Jul-23			21-Jul-43

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Trademarks

Mark	Type	Jurisdiction	App. No.	App. Date	Reg. No.	Reg. Date	Classes	Status
CAP12	Word	Australia	2086387	6-May-20	2086387	6-May-20	10	Registered
CAP12	Word	Int. Reg.	1550517	9-May-20	1550517	9-May-20	10	Registered
CAP12	Word	U.S.	79293730	9-May-20	6481064	14-Sep-21	10	Registered
CAP12	Word	Europe	1550517	6-Nov-20	1550517	19-Apr-21	10	Registered
CAP12	Word	Canada	2067153	6-Nov-20	TMA1195271	30-Aug-23	10	Registered
CAP12	Word	U.K	1550517	6-Nov-20	1550517	4-Apr-21	10	Registered
CAP12X	Word	Australia	2086388	6-May-20	2086388	6-May-20	10	Registered
CAP12X	Word	Int. Reg.	1550241	9-May-20	1550241	9-May-20	10	Registered
CAP12X	Word	U.S.	79293620	9-May-20	6481059	14-Sep-21	10	Registered
CAP12X	Word	Europe	1550241	6-Nov-20	1550241	19-Apr-21	10	Registered
CAP12X	Word	Canada	2067154	6-Nov-20	TMA1195272	30-Aug-23	10	Registered
CAP12X	Word	U.K	1550241	6-Nov-20	1550241	4-Apr-21	10	Registered
CAP24	Word	U.S.	99244728	20-Jun-25			10	Pending
CAPLOC	Word	Australia	2149447	15-Jan-21	2149447	15-Jan-21	10	Registered
CAPLOC	Word	Int. Reg.	1608173	12-Jul-21	1608173	12-Jul-21	10	Registered
CAPLOC	Word	Europe	1608173	12-Jul-21	1608173	12-Jul-21	10	Registered
CAPLOC	Word	Canada	2128299	12-Jul-21	TMA1278657	27-Dec-24	10	Registered
CAPLOC	Word	China	1608173	12-Jul-21	1608173	12-Jul-21	10	Registered
CAPLOC	Word	U.K	1608173	12-Jul-21	1608173	23-Dec-21	10	Registered
	Logo	Australia	2022694	23-Jul-19	2022694	23-Jul-19	10,44	Registered
	Logo	Int. Reg.	1543662	23-Jan-20	1543662	23-Jan-20	10,44	Registered
	Logo	U.S.	79290783	23-Jan-20	6430545	27-Jul-21	10,44	Registered
CLARITY	Word	Australia	2086390	6-May-20	2086390	6-May-20	9	Registered
CLARITY	Word	Int. Reg.	1535732	9-May-20	1535732	9-May-20	9	Registered
CLARITY	Word	U.S.	79287476	9-May-20	6854433	27-Sep-22	9	Registered
CLARITY	Word	Europe	1535732	6-Nov-20	1535732	2-Jan-25	9	Registered
CLARITY	Word	Canada	2067159	6-Nov-20	TMA1254691	9-Sep-24	9	Registered
CLARITY	Word	U.K	1535732	6-Nov-20	1535732	23-Dec-21	9	Registered
CLEARCAP	Word	Australia	2178753	13-May-21	2178753	13-May-21	9,42,44	Registered
CLEARCAP	Word	Int. Reg.	1608952	22-Jul-21	1608952	22-Jul-21	9,42,44	Registered
CLEARCAP	Word	U.S.	79318523	22-Jul-21	6987895	28-Feb-23	9,42,44	Registered
CLEARCAP	Word	Europe	1608952	11-Nov-21	1608952	20-Apr-22	9,42,44	Registered
CLEARCAP	Word	Canada	2151386	11-Nov-21	TMA1337755	8-Aug-25	9,42,44	Registered
CLEARCAP	Word	U.K	1608952	11-Nov-21	1608952	16-Jun-22	9,42,44	Registered
EVA	Word	U.S.	98282803	22-Nov-23			9	Pending
EVA	Word	Australia	2447450	2-May-24			9	Pending
EVA	Word	Int. Reg.	1 839 095	9-Jan-25			9	Pending
EVA	Word	Europe	1 839 095	9-Jan-25			9	Pending
EVA	Word	U.K	1 839 095	9-Jan-25	1 839 095	22-Jul-25	9	Registered
EVOKE	Word	Australia	1659255	19-Nov-14	1659255	19-Nov-14	10,44	Registered
EVOKE	Word	Int. Reg.	1258195	9-May-15	1258195	9-May-15	10,44	Registered

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Trademarks

Mark	Type	Jurisdiction	App. No.	App. Date	Reg. No.	Reg. Date	Classes	Status
EVOKE	Word	U.S.	79169699	9-May-15	4985875	28-Jun-16	10	Registered
EVOKE	Word	Europe	1258195	9-May-15	1258195	6-Jun-16	10,44	Registered
EVOKE	Word	Canada	1979579	11-Jul-19	TMA1226516	26-Mar-24	10,44	Registered
EVOKE	Word	U.K	UK00801258195	9-May-15	UK00801258195	1-Jun-15	10,44	Registered
EVOKE	Logo	Australia	2022695	23-Jul-19	2022695	23-Jul-19	10,44	Registered
EVOKE	Logo	Int. Reg.	1543618	23-Jan-20	1543618	23-Jan-20	10,44	Registered
EVOKE	Logo	U.S.	79290766	23-Jan-20	6430543	27-Jul-21	10,44	Registered
EVOKE	Logo	Europe	1543618	23-Jan-20	1543618	21-Dec-20	10,44	Registered
EVOKE	Logo	U.K	UK00801543618	23-Jan-20	UK00801543618	21-Dec-20	10,44	Registered
EVOKE	Word	Australia	2313217	8-Nov-22	2313217	8-Nov-22	9,10,42,44	Registered
EVOKE	Word	Int. Reg.	1722537	9-Nov-22	1722537	9-Nov-22	9,10,42,44	Registered
EVOKE	Word	U.S.	79366756	9-Nov-22			9,10,42,44	Pending
EVOKE	Word	Europe	1722537	8-May-23	1722537	8-Nov-23	9,10,42,44	Registered
EVOKE	Word	U.K	1722537	8-May-23	1722537	21-Dec-23	9,10,42,44	Registered
EVOKE CLS	Word	Australia	2086384	6-May-20	2086384	6-May-20	10	Registered
EVOKE CLS	Word	Int. Reg.	1550236	9-May-20	1550236	9-May-20	10	Registered
EVOKE CLS	Word	U.S.	79293617	9-May-20	6688508	5-Apr-22	10	Registered
EVOKE CLS	Word	Europe	1550236	6-Nov-20	1550236	14-Apr-21	10	Registered
EVOKE CLS	Word	Canada	2067155	6-Nov-20	TMA1226523	26-Mar-24	10	Registered
EVOKE CLS	Word	U.K	1550236	6-Nov-20	1550236	22-Apr-21	10	Registered
EVOKE ECLS	Word	Australia	2086385	6-May-20	2086385	6-May-20	10	Registered
EVOKE ECLS	Word	Int. Reg.	1549965	9-May-20	1549965	9-May-20	10	Registered
EVOKE ECLS	Word	U.S.	79293464	9-May-20	6726687	24-May-22	10	Registered
EVOKE ECLS	Word	Europe	1549965	6-Nov-20	1549965	14-Apr-21	10	Registered
EVOKE ECLS	Word	Canada	2067156	6-Nov-20	TMA1226524	26-Mar-24	10	Registered
EVOKE ECLS	Word	U.K	1549965	6-Nov-20	1549965	4-Apr-21	10	Registered
EVOKE	Logo	Australia	2316685	22-Nov-22	2316685	22-Nov-22	9,10,42,44	Registered
EVOKE	Logo	Int. Reg.	1708861	16-Dec-22	1708861	16-Dec-22	9,10,42,44	Registered
EVOKE	Logo	U.S.	79360843	16-Dec-22	7646294	14-Jan-25	9,10,42,44	Registered
EVOKE	Logo	Europe	1708861	16-Dec-22	1708861	3-Oct-23	9,10,42,44	Registered
EVOKE	Logo	U.K	1708861	16-Dec-22	1708861	4-Sep-23	9,10,42,44	Registered
RECAP	Word	Australia	2086389	6-May-20	2086389	6-May-20	9	Registered
RECAP	Word	Int. Reg.	1535764	9-May-20	1535764	9-May-20	9	Registered
RECAP	Word	U.S.	79287491	9-May-20	6430479	27-Jul-21	9	Registered
RECAP	Word	Europe	1535764	6-Nov-20	1535764	14-Apr-21	9	Registered
RECAP	Word	Canada	2067158	6-Nov-20	TMA1254690	9-Sep-24	9	Registered
RECAP	Word	U.K	1535764	6-Nov-20	1535764	15-Jun-21	9	Registered
	Logo	Australia	2022693	23-Jul-19	2022693	23-Jul-19	10,44	Registered
	Logo	Int. Reg.	1543601	23-Jan-20	1543601	23-Jan-20	10,44	Registered

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Mark	Type	Jurisdiction	App. No.	App. Date	Reg. No.	Reg. Date	Classes	Status
	Logo	U.S.	79290753	23-Jan-20	6422313	20-Jul-21	10,44	Registered
	Logo	Europe	1543601	23-Jan-20	1543601	21-Dec-20	10,44	Registered
	Logo	Canada	2042610	23-Jan-20	TMA1185877	21-Jun-23	10,44	Registered
	Logo	China	1543601	23-Jan-20	1543601	25-Nov-20	10,44	Registered
	Logo	U.K	UK00801543601	23-Jan-20	UK00801543601	21-Dec-20	10,44	Registered
SALUDA	Word	Australia	1652882	16-Oct-14	1652882	16-Oct-14	10,44	Registered
SALUDA	Word	Int. Reg.	1257908	26-Mar-15	1257908	26-Mar-15	10,44	Registered
SALUDA	Word	U.S.	79169592	26-Mar-15	5143782	21-Feb-17	10	Registered
SALUDA	Word	Europe	1257908	26-Mar-15	1257908	30-Jul-15	10,44	Registered
SALUDA	Word	Canada	1978565	11-Jul-19	TMA1229819	25-Apr-24	10,44	Registered
SALUDA	Word	U.K	UK00801257908	26-Mar-15	UK00801257908	2-Nov-20	10,44	Registered
SALUDA	Word	Australia	2313212	8-Nov-22	2313212	8-Nov-22	9,10,42,44	Registered
SALUDA	Word	Int. Reg.	1708381	8-Nov-22	1708381	8-Nov-22	9,10,42,44	Registered
SALUDA	Word	U.S.	79360651	8-Nov-22	7490569	3-Sep-24	9,10,42,44	Registered
SALUDA	Word	Europe	1708381	8-Nov-22	1708381	18-Oct-23	9,10,42,44	Registered
SALUDA	Word	Canada	2260155	8-Nov-22			9,10,42,44	Pending
SALUDA	Word	U.K	1708381	8-Nov-22	1708381	22-Aug-23	9,10,42,44	Registered
SALUDAAI	Word	Australia	2317586	25-Nov-22	2317586	25-Nov-22	9,10,42,44	Registered
SALUDAAI	Word	Int. Reg.	1709602	16-Dec-22	1709602	16-Dec-22	9,10,42,44	Registered
SALUDAAI	Word	U.S.	79361118	16-Dec-22	7490572	3-Sep-24	9,10,42,44	Registered
SALUDAAI	Word	Europe	1709602	16-Dec-22	1709602	15-Jun-23	9,10,42,44	Registered
SALUDAAI	Word	U.K	1709602	16-Dec-22	1709602	11-May-23	9,10,42,44	Registered
SMARTLOOP	Word	Australia	2291972	8-Aug-22	2291972	8-Aug-22	10	Registered
SMARTLOOP	Word	Int. Reg.	1681166	10-Aug-22	1681166	10-Aug-22	10	Registered
SMARTLOOP	Word	U.S.	79348882	10-Aug-22	7232652	5-Dec-23	10	Registered
SMARTLOOP	Word	Europe	1681166	8-Feb-23	1681166	9-Jan-24	10	Registered
SMARTLOOP	Word	U.K	1681166	8-Feb-23	1681166	8-Aug-23	10	Registered
	Logo	U.S.	99244733	20-Jun-25			10	Pending
SMARTSTIM	Word	Australia	2291983	8-Aug-22	2291983	8-Aug-22	9,10	Registered
SMARTSTIM	Word	Int. Reg.	1682894	11-Aug-22	1682894	11-Aug-22	9,10	Registered
SMARTSTIM	Word	U.S.	79349603	11-Aug-22	7265353	9-Jan-24	9,10	Registered
SMARTSTIM	Word	Europe	1682894	8-Feb-23	1682894	18-Jan-24	9,10	Registered
SMARTSTIM	Word	U.K	1682894	8-Feb-23	1682894	3-Aug-23	9,10	Registered
SMARTTRIAL	Word	U.K	UK00004102222	8-Feb-23	UK00004102222	18-May-23	42,44	Registered
ACTIVATION RESPONSE TECHNOLOGY (ART)	Word	Australia	2092680	1-Jun-20	2092680	1-Jun-20	44	Registered
ACTIVATION RESPONSE TECHNOLOGY (ART)	Word	Int. Reg.	1540129	17-Jun-20	1540129	17-Jun-20	44	Registered

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Mark	Type	Jurisdiction	App. No.	App. Date	Reg. No.	Reg. Date	Classes	Status
ACTIVATION RESPONSE TECHNOLOGY (ART)	Word	U.S.	79289318	17-Jun-20	6799394	26-Jul-22	44	Registered
ACTIVATION RESPONSE TECHNOLOGY (ART)	Word	Europe	1540129	17-Dec-20	1540129	5-May-21	44	Registered
ACTIVATION RESPONSE TECHNOLOGY (ART)	Word	U.K	1540129	17-Dec-20	1540129	31-Aug-21	44	Registered
WE SPEAK SPINE LANGUAGE	Word	Australia	2022679	23-Jul-19	2022679	23-Jul-19	10,44	Registered
WE SPEAK SPINE LANGUAGE	Word	Int. Reg.	1543631	23-Jan-20	1543631	23-Jan-20	10,44	Registered
WE SPEAK SPINE LANGUAGE	Word	U.S.	79290773	23-Jan-20	6430544	27-Jul-21	10,44	Registered
WE SPEAK SPINE LANGUAGE	Word	Europe	1543631	23-Jan-20	1543631	16-Dec-20	10,44	Registered
WE SPEAK SPINE LANGUAGE	Word	U.K	UK00801543631	23-Jan-20	UK00801543631	16-Dec-20	10,44	Registered
REPOSE	Word	Australia	2231779	26-Nov-21	2231779	26-Nov-21	9,10,42,44	Registered
SALUDA. AT THE SPEED OF LIFE	Word	Australia	2247632	8-Feb-22	2247632	8-Feb-22	42,44	Registered

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11. Taxation

11. Taxation

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The taxation consequences of investing in CDIs (or the underlying Shares) will depend on your particular circumstances. It is your responsibility to satisfy yourself of the particular taxation treatment that applies to you by consulting your own professional tax advisers before investing in CDIs. Neither Saluda nor any of its officers, employees, agents and advisers accepts any liability or responsibility in respect of the taxation consequences connected with an investment in CDIs.

11.1 AUSTRALIAN TAXATION

The Australian taxation information provided below is a summary of certain relevant Australian income tax, GST and stamp duty considerations arising from investing under the Offer. The summary is general in nature and is not intended to be a complete statement of all potential tax implications for each investor or to be relied upon as tax advice.

The precise implications of ownership or disposal of the CDIs will depend upon each investor's specific circumstances. Investors should seek their own independent professional tax advice on the taxation implications of holding and disposing of the CDIs, taking into account their specific circumstances.

The information in this taxation summary has been prepared on the basis that investors are Australian tax residents who hold a portfolio interest in the Company (broadly, direct or indirect entitlements to distributions of profits or capital of, and voting rights in, the Company totalling less than 10%) and who hold their CDIs on capital account for Australian income tax purposes.

The information does not address the tax consequences that arise for non-Australian tax resident investors, or if an investor holds their CDIs on revenue account or as trading stock, carries on a business of trading in shares, and does not cover the consequences for Australian tax resident investors who are exempt from Australian income tax or who are subject to Division 230 of the *Income Tax Assessment Act 1997* (Cth) (the taxation of financial arrangements (TOFA) regime), the Investment Manager Regime or a concessional tax regime.

The information does not address the Australian tax consequences that arise if an Australian tax resident investor has a taxable presence in the U.S. This summary assumes that the Company and each of its subsidiaries will not be considered a "controlled foreign company" for the purpose of applying Australia's controlled foreign company regime.

The following summary is based on the relevant Australian taxation and stamp duty laws as at the date of this Prospectus. These laws, and their interpretation by the courts, are subject to change from time to time, including a change with retrospective effect. To the maximum extent permitted by law, the Company, its officers, and each of their respective advisors accept no liability or responsibility with respect to the taxation consequences of acquiring or disposing of CDIs issued under this Prospectus.

This Section 11.1 does not constitute financial product advice as defined in the Corporations Act and is confined to Australian income tax, withholding tax, GST and stamp duty issues only. Taxation is only one of the matters investors need to consider when making a decision about their investments. Investors should consider taking advice from a licenced advisor, before making a decision about their investments.

11.1.1 Tax residence of the Company

The Company is incorporated in the U.S. and it is intended that the Company is a foreign resident for Australian income tax purposes. The Company is not expected to be a tax resident of Australia on the basis that the Company will not have its central management and control in Australia and will not carry on a business in Australia. The issue of CDIs in the Company as a result of the Listing should not change the residency status of the Company for tax purposes.

11.1.2 Dividends

(a) Australian resident individuals and complying superannuation entities

Dividends paid to Australian tax resident CDI Holders will constitute assessable income of that CDI Holder. Australian tax resident CDI Holders who are individuals or complying superannuation entities are required to include the dividend in their assessable income (subject to the application of exemptions) in the year the dividend is paid.

On the basis that the Company is not an Australian tax resident company, dividends paid will be unfranked, even if the Company has been subject to tax on any Australian source income. Accordingly, franking credits will not attach to any dividend paid by the Company to Australian resident individuals and complying superannuation entities, and such CDI Holders will generally be taxed at their marginal rate on the dividend received with no franking credit tax offset.

Where the dividend has been subjected to withholding tax in the U.S. and included in the CDI Holder's assessable income, the amount included in the assessable income of an Australian tax resident CDI Holder should be the gross amount of the dividend, (that is the amount received, grossed up for the amount of withholding tax paid).

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A foreign income tax offset may be available to an Australian tax resident CDI Holder for the U.S. withholding tax deducted and remitted to the U.S. tax authorities, subject to certain limits. Foreign income tax offsets are generally limited to the greater of A$1,000, or the Australian income tax that would be payable (subject to certain assumptions) on the net income on which foreign tax is paid.

CDI Holders should seek their own independent professional tax advice as to whether any tax offset for U.S. withholding tax deducted in relation to the dividend paid may be obtained.

(b) Australian corporate investors

Australian tax resident CDI Holders who are corporate entities will be required to include any dividend income in their assessable income (subject to the application of exemptions) in the year in which the dividend is paid.

On the basis that the Company is not an Australian tax resident company, dividends paid will be unfranked, even if the Company has been subject to tax on any Australian source income. Franking credits will not attach to any dividend paid by the Company to Australian resident corporate entities. Accordingly, Australian tax resident CDI Holders who are corporate entities will be taxed at their applicable company income tax rate on the dividend received with no franking credit tax offset.

Where the dividend has been subject to withholding tax in the U.S. and included in the CDI Holder's assessable income, the amount included in the assessable income of an Australian tax resident CDI Holder should be the gross amount of the dividend (that is, the amount received, grossed up for the amount of withholding tax paid in the U.S.).

A foreign income tax offset may be available to an Australian tax resident CDI Holder for the U.S. withholding tax deducted in relation to the dividend paid. Where available, the amount of the foreign income tax offset should be equivalent to the withholding tax deducted and remitted to the U.S. tax authorities, subject to certain limits. Foreign income tax offsets are generally limited to the greater of A$1,000, or the Australian income tax that would be payable (subject to certain assumptions) on the net income on which foreign tax is paid.

CDI Holders should seek their own independent professional tax advice as to whether any tax offset for US withholding tax deducted in relation to the dividend paid may be obtained.

(c) Trusts and partnerships

CDI Holders who are trustees (other than trustees of complying superannuation entities or trusts that are treated in a similar manner to companies for Australian income tax purposes) or partnerships should include the dividend in determining the net income of the trust or partnership in the year in which the dividend is paid. The relevant beneficiary or partner may be required to include in their assessable income their share of the "net income" of the trust or partnership where that net income includes the dividend.

Franking credits will not attach to any dividend paid by the Company to an Australian trust or partnership.

Where the dividend has been subjected to withholding tax in the U.S., the amount included in the net income of the trust or partnership in the year should be the gross amount of the dividend (that is, the amount received, grossed up for the amount of withholding tax paid in the U.S.).

The relevant beneficiary or partner may be entitled to a foreign income tax offset for the U.S. withholding tax deducted in relation to the dividend paid. Where available, the amount of the foreign income tax offset should be equivalent to the beneficiary or partner's share of the withholding tax deducted and remitted to the U.S. tax authorities, subject to certain limits. Foreign income tax offsets are generally limited to the greater of A$1,000, or the Australian income tax that would be payable (subject to certain assumptions) on the net income on which foreign tax is paid.

CDI Holders, and relevant beneficiaries and partners, should seek their own independent professional tax advice as to whether any tax offset for U.S. withholding tax deducted in relation to the dividend paid may be obtained.

11.1.3 Disposal of CDIs

The disposal of CDIs by a CDI Holder who holds the CDIs on capital account will be a capital gains tax event (**CGT event**) in the year in which the CDI Holder enters into the contract for the disposal, or where there is no contract, the year of disposal.

A capital gain will arise to the extent the capital proceeds on disposal exceed the cost base of the CDI. Broadly, the cost base of the CDI will be the amount paid to acquire the CDI plus any transaction costs incurred in relation to the acquisition or disposal of the CDI (e.g. brokerage and legal fees). In the case of an arm's length on-market sale, the capital proceeds will generally be the cash proceeds received from the sale of the CDIs.

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A capital loss will be realised where the reduced cost base of the CDI exceeds the capital proceeds from disposal. Capital losses may only be offset against capital gains realised by the CDI Holder in the same income year or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income.

If a CDI Holder is required to pay tax in another jurisdiction in respect of the disposal of their CDIs, that CDI Holder should seek their own independent professional tax advice as to the Australian income tax implications, including whether any tax offset paid may be obtained.

11.1.4 CGT discount

A CGT discount may be available to reduce the net capital gain where the CDI Holder is an individual, complying superannuation entity or trustee, and the CDIs have been held for at least 12 months excluding the date of acquisition and the date of disposal of the CDIs. Companies are not entitled to the CGT discount. Where the CGT discount applies, any capital gain arising to individuals and entities acting as trustee (other than a trust that is a complying superannuation entity) may be reduced by 50% after offsetting any available current year or prior year capital losses. For a complying superannuation entity, any capital gain may be reduced by 33⅓%, after offsetting any available current year or prior year capital losses. The discount may be reduced for any part of the ownership period that the CDI Holder is a foreign or temporary resident.

11.1.5 GST considerations

Australian GST should not be payable in respect of the issue, acquisition, disposal or transfer of the CDIs, or in respect of dividends. However, GST may be payable on brokerage fees.

11.1.6 Stamp duty considerations

CDI Holders should not be liable for stamp duty in any Australian State or Territory on the issue or allotment of the CDIs as part of the Offer, nor the acquisition of CDIs that are quoted on the ASX and received under the Offer. Under current stamp duty legislation, no stamp duty would ordinarily be payable by CDI Holders on any subsequent transfer or disposal of the CDIs.

11.2 U.S. TAXATION

The following discussion is a summary of the material U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of the purchase, ownership and disposition of CDIs issued pursuant to the Offer, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion is based on the Code, the U.S. Treasury Regulations promulgated thereunder, judicial decisions and published rulings and administrative pronouncements of the IRS, in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a Non-U.S. Holder. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a U.S. court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership and disposition of Saluda's CDIs.

This discussion is limited to Non-U.S. Holders that hold Saluda's CDIs as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a Non-U.S. Holder's particular circumstances, including the impact of the Medicare contribution tax on net investment income and the alternative minimum tax. In addition, it does not address consequences relevant to Non-U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons holding Saluda's CDIs as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies and other financial institutions;
- brokers, dealers or traders in securities;
- "controlled foreign corporations", "passive foreign investment companies" and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organisations or governmental organisations;
- persons deemed to sell Saluda's CDIs under the constructive sale provisions of the Code;

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- persons who hold or receive Saluda's CDIs pursuant to the exercise of any employee stock option or otherwise as compensation;
- tax-qualified retirement plans; and
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Saluda's CDIs, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding Saluda's CDIs and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR CDIs ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

For purposes of this discussion, a "**Non-U.S. Holder**" is any beneficial owner of Saluda's CDIs that is neither a "U.S. person" (as described below) nor an entity treated as a partnership for U.S. federal income tax purposes. A "U.S. person" is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation created or organised under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and all substantial decisions of which are subject to the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code) or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

The discussion below assumes that a holder of a CDI should be treated for U.S. federal income tax purposes as holding the Shares represented by the CDI. Accordingly, no gain or loss should be recognised for U.S. federal income tax purposes upon a conversion of CDIs for Shares (or vice versa), and the U.S. federal income tax consequences for Non-U.S. Holders in respect of Shares should generally be the same as for the CDIs.

11.2.1 Distributions

As described in Section 12.11 (Dividend Policy), Saluda currently intends to invest all cash flow into the business in order to maximise its growth and, accordingly, no dividends will be payable for the foreseeable future following the Listing. However, if Saluda make distributions of cash or property on Saluda's CDIs, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from Saluda's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a Non-U.S. Holder's adjusted tax basis in Saluda's CDIs, but not below zero. Any excess will be treated as capital gain and will be treated as described below under Section 11.2.2 (Sale or Other Taxable Disposition).

Subject to the discussion below on effectively connected income, dividends paid to a Non-U.S. Holder will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate specified by an applicable income tax treaty, provided the Non-U.S. Holder furnishes a valid IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) certifying qualification for the lower treaty rate). A Non-U.S. Holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

If dividends paid to a Non-U.S. Holder are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such dividends are attributable), the Non-U.S. Holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption, the Non-U.S. Holder must furnish to the applicable withholding agent a valid IRS Form W-8ECI, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States.

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Any such effectively connected dividends will be subject to U.S. federal income tax on a net income basis at the regular rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected dividends, as adjusted for certain items. Non-U.S. Holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

11.2.2 Sale or Other Taxable Disposition

A Non-U.S. Holder will not be subject to U.S. federal income tax on any gain realised upon the sale or other taxable disposition of Saluda's CDIs unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such gain is attributable);
- the Non-U.S. Holder is a non-resident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- Saluda's CDIs constitute U.S. real property interests (**USRPIs**) by reason of Saluda's status as a U.S. real property holding corporation (**USRPHC**) for U.S. federal income tax purposes.

Gains described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected gain, as adjusted for certain items.

A Non-U.S. Holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on gain realised upon the sale or other taxable disposition of Saluda's CDIs, which may be offset by U.S. source capital losses of the Non-U.S. Holder (even though the individual is not considered a resident of the United States), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, Saluda believes it is not currently, and does not anticipate becoming, a USRPHC. Because the determination of whether Saluda is a USRPHC depends, however, on the fair market value of Saluda's USRPIs relative to the fair market value of Saluda's non-U.S. real property interests and Saluda's other business assets, there can be no assurance Saluda currently is not a USRPHC or will not become one in the future. Even if Saluda is or was to become a USRPHC, gain arising from the sale or other taxable disposition of Saluda's CDIs by a Non-U.S. Holder will not be subject to U.S. federal income tax if Saluda's CDIs are "regularly traded" on an "established securities market", each as defined by applicable U.S. Treasury Regulations, and such Non-U.S. Holder's actual or constructive ownership of Saluda's CDIs do not exceed a specified threshold set forth in applicable U.S. Treasury Regulations throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition or the Non-U.S. Holder's holding period. There can be no assurance that the CDIs will qualify as regularly traded on an established securities market for these purposes.

Non-U.S. Holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

11.2.3 Information Reporting and Backup Withholding

Payments of dividends on Saluda's CDIs will not be subject to backup withholding, provided the applicable withholding agent does not have actual knowledge or reason to know the holder is a United States person and the holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI, or otherwise establishes an exemption. However, information returns are required to be filed with the IRS in connection with any distributions on Saluda's CDIs paid to the Non-U.S. Holder, regardless of whether such distributions constitute dividends or whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of Saluda's CDIs within the United States or conducted through certain U.S.-related brokers generally will not be subject to backup withholding or information reporting if the applicable withholding agent receives the certification described above and does not have actual knowledge or reason to know that such holder is a United States person or the holder otherwise establishes an exemption. Proceeds of a disposition of Saluda's CDIs conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

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11.2.4 Additional Withholding Tax on Payments Made to Foreign Accounts

Withholding taxes may be imposed under FATCA on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or (subject to the proposed U.S. Treasury Regulations discussed below) gross proceeds from the sale or other disposition of, Saluda's CDIs paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in clause (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable U.S. Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on Saluda's CDIs. While withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of CDIs, proposed U.S. Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed U.S. Treasury Regulations until final U.S. Treasury Regulations are issued.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in Saluda's CDIs.

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12. Additional information

12. Additional information

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12.1 INCORPORATION AND REGISTRATION AS FOREIGN COMPANY

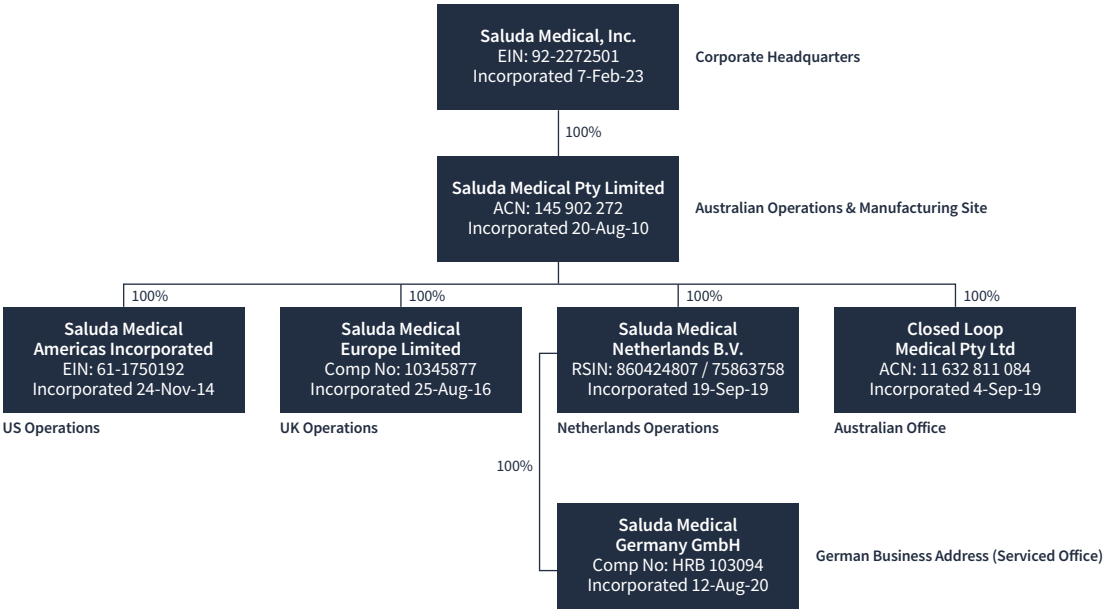
Saluda was incorporated on 7 February 2023 in Delaware, United States.

On 19 September 2025, Saluda was registered as a foreign company in Australia under the Corporations Act and in accordance with the requirements of Listing Rule 12.6A.

Saluda's Australian subsidiary, Saluda Medical Pty Ltd, is the local agent of Saluda pursuant to the Corporations Act, and Mr Cameron Billingsley has been engaged to act as the person responsible for communications with the ASX under Listing Rule 12.6.

12.2 CORPORATE STRUCTURE

The current corporate structure of the Group is set out below.



The following table summarises the companies in the Group.

COMPANY NAME	PLACE OF INCORPORATION	NATURE OF BUSINESS
Saluda Medical, Inc (ARBN 691 140 360)	U.S.	Parent entity with 100% control over the Group and the preparer of the consolidated group financial statements.
Saluda Medical Pty Ltd (ACN 145 902 272)	Australia	Operating and contracting company for Australia and intermediate holding company.
Closed Loop Medical Pty Ltd (ACN 632 811 084)	Australia	Operating and contracting company for Australia.
Saluda Medical Americas, Inc	U.S.	Operating and contracting company for the U.S.
Saluda Medical Europe Ltd	United Kingdom	Operating and contracting company for the UK and Ireland.
Saluda Medical Netherlands B.V.	The Netherlands	Operating and contracting company for the Netherlands, Belgium and Spain.
Saluda Medical Germany GmbH	Germany	Operating and contracting company for Germany.

12. Additional information continued

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12.3 BRIDGE FINANCING

In October 2025, the Company completed a private placement of its common stock in which certain existing Shareholders of the Company purchased shares of common stock at a price per Share of US$0.330[64] for the aggregate amount of US$15,000,000 (Bridge Financing). Immediately prior to the closing of the Bridge Financing, all shares of outstanding preferred stock of the Company and the principal and accrued interest of all outstanding convertible notes of the Company were converted into shares of common stock of the Company (**Converted Common Stock**). Warrants that were previously exercisable for shares of preferred stock were automatically adjusted to warrants exercisable for shares of common stock at the same rate the shares of preferred stock underlying the warrants were converted into shares of Converted Common Stock, other than the warrant issued pursuant to the Perceptive Term Loan, which was amended and restated to a warrant exercisable for a number of shares of common stock determined based on reference to the original value of the warrant under the Perceptive Term Loan. As part of the Bridge Financing, certain eligible Shareholders of the Company who invested their pro rata portion of the Bridge Financing at the initial closing exchanged shares of Converted Common Stock for new shares of common stock at rate equal to the original issue price of the Converted Common Stock divided by a price per share equal to US$0.019.[65] As part of the Bridge Financing, the investors therein also have the option, if additional funds are requested by the Company, to purchase additional shares of common stock, in the aggregate amount of up to $35,000,000, which financing would either be completed as an additional closing of the Bridge Financing or as part of the Offer.

Mr Godshall, the Chair of the Company, held a convertible note of the Company prior to the Bridge Financing and that convertible note converted as part of the Bridge Financing into, together with the exchange of Converted Common Stock related to the convertible note in the Bridge Financing, 14,029,145 Shares (or 272,410 Shares assuming the Restructuring has occurred). Mr Godshall also purchase 825,230 Shares (or 16,023 Shares assuming the Restructuring has occurred) in the Bridge Financing.

See Section 7.4.7 for details or Mr Godshall's securityholding.

Ms Caplice, the Chief Legal Officer of the Company, also held a convertible note of the Company prior to the Bridge Financing and that convertible note converted as part of the Bridge Financing into, together with the exchange of Converted Common Stock related to the convertible note in the Bridge Financing, 1,054,365 Shares (or 20,472 Shares assuming the Restructuring has occurred). Ms Caplice also purchased 62,019 Shares (or 1,204 Shares assuming the Restructuring has occurred) in the Bridge Financing.

12.4 OPTIONS

As at the date of this Prospectus, the Company has the following Options on issue (assuming the Restructuring has occurred):

EXPIRY DATE	EXERCISE PRICE (US$)	SECURITIES TO BE ISSUED ON EXERCISE OF OPTIONS	
		NUMBER OF SHARES	EQUIVALENT NUMBER OF CDIs
31 March 2026	$84.46	1,456	14,560
29 November 2026	$241.54	420	4,200
29 November 2026	$84.46	1,649	16,490
15 June 2027	$245.66	242	2,420
15 June 2027	$84.46	388	3,880
16 August 2027	$254.41	7,039	70,390
16 August 2027	$84.46	2,190	21,900
4 September 2027	$84.46	97	970
29 November 2027	$84.46	97	970
7 February 2028	$84.46	86	860
20 May 2028	$243.08	970	9,700
20 May 2028	$84.46	892	8,920
4 September 2028	$346.60	540	5,400
4 September 2028	$84.46	3,100	31,000
5 September 2028	$346.60	38	380

64. This is the price per Share before application of the reverse stock split outlined in Section 12.7. Rounded to 3 decimal places.
65. Rounded to 3 decimal places.

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EXPIRY DATE	EXERCISE PRICE (US$)	SECURITIES TO BE ISSUED ON EXERCISE OF OPTIONS	
		NUMBER OF SHARES	EQUIVALENT NUMBER OF CDIs
22 October 2029	$564.96	1,280	12,800
22 October 2029	$346.60	38	380
22 October 2029	$84.46	6,439	64,390
11 February 2030	$553.63	5,905	59,050
11 February 2030	$84.46	194	1,940
31 March 2030	$84.46	21,022	210,220
2 June 2030	$84.46	795	7,950
3 June 2030	$84.46	330	3,300
13 August 2030	$589.16	40	400
13 August 2030	$84.46	5,487	54,870
14 August 2030	$84.46	2,931	29,310
19 October 2030	$357.41	1,589	15,890
19 October 2030	$84.46	623	6,230
14 December 2030	$84.46	865	8,650
17 June 2031	$396.55	303	3,030
17 June 2031	$84.46	12,666	12,6660
12 August 2031	$385.22	97	970
12 August 2031	$84.46	678	6,780
13 December 2031	$201.37	288	2,880
13 December 2031	$84.46	3,702	37,020
10 February 2032	$84.46	116	1,160
4 April 2032	$84.46	1,377	13,770
27 June 2032	$201.37	11	110
27 June 2032	$84.46	2,021	20,210
20 October 2032	$225.06	623	6,230
20 October 2032	$84.46	14,100	141,000
20 November 2032	$84.46	2,620	26,200
12 December 2032	$84.46	900	9,000
4 April 2033	$84.46	12	120
24 April 2033	$115.36	61	610
24 April 2033	$84.46	9,588	95,880
25 April 2033	$84.46	1,391	13,910
12 May 2033	$84.46	26,084	260,840
20 July 2033	$84.46	871	8,710
25 September 2033	$84.46	771	7,710
27 November 2033	$84.46	9,253	92,530
10 December 2033	$84.46	3,883	38,830
31 January 2034	$84.46	1,602	16,020
28 April 2034	$84.46	657	6,570
19 June 2034	$84.46	26,413	264,130
4 August 2034	$84.46	1,891	18,910
16 August 2034	$84.46	3,416	34,160

12. Additional information continued

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EXPIRY DATE	EXERCISE PRICE (US$)	SECURITIES TO BE ISSUED ON EXERCISE OF OPTIONS	
		NUMBER OF SHARES	EQUIVALENT NUMBER OF CDIs
18 August 2034	$84.46	194	1,940
4 November 2034	$84.46	7,766	77,660
17 March 2035	$84.46	163,667	1,636,670
18 March 2035	$84.46	53,701	537,010
20 March 2035	$84.46	4,324	43,240
26 March 2035	$84.46	1,203	12,030
27 April 2035	$52.53	193	1,930
30 April 2035	$52.53	48	480
4 May 2035	$52.53	290	2,900
11 May 2035	$52.53	821	8,210
18 May 2035	$52.53	387	3,870
19 May 2035	$52.53	48	480
26 May 2035	$52.53	96	960
31 May 2035	$52.53	386	3,860
1 June 2035	$52.53	484	4,840
15 June 2035	$52.53	48	480
6 July 2035	$52.53	145	1,450
13 July 2035	$52.53	628	6,280
27 July 2035	$52.53	145	1,450
3 August 2035	$52.53	97	970
10 August 2035	$52.53	427	4,270
17 August 2035	$52.53	773	7,730
24 August 2035	$52.53	242	2,420
1 September 2035	$52.53	8,443	84,430
5 September 2035	$52.53	90,166	901,660
7 September 2035	$52.53	475	4,750
TOTAL		**527,334**	**5,273,340**

The Options have all been issued under the 2023 Plan and Employee Option Plan (see Section 7.6) and generally vest over a two to four-year period. Options may be subject to acceleration of vesting and exercisability under certain termination and change in control events.

On or about the Allotment Date, the Company also intends to issue an additional number of Options representing 1,287,220 Shares (equivalent to 12,872,200 CDIs) to employees as described in Section 7.6.3 under the 2023 Plan, with exercise prices in US$ equal to the fair market value per Share on the Allotment Date (determined based on the Offer Price (as adjusted for the CDI to Share ratio) and multiplied by the exchange rate for A$ to US$ on such date). The term of the Options will be no more than ten years after the grant date.

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12.5 RESTRICTED STOCK UNITS

As at the date of this Prospectus, the Company has not issued any RSUs.

On or about the Allotment Date, the Company also intends to issue a number of RSUs representing 632,510 Shares (equivalent to 6,325,100 CDIs) to the Non-executive Directors as described in Section 7.4.6(c), as well as an additional number of RSUs representing 1,880,877 Shares (equivalent to 18,808,770 CDIs) to Key Managers and other employees under the 2023 Plan as described in Section 7.6.3. Other than the RSUs granted to Messrs Regan and O'Sullivan, the RSUs will vest as follows: one-third of the RSUs will vest on 1 January 2027, and the remaining RSUs will vest in eight substantially equal instalments on each of 1 March, 1 June, 1 September and 1 December thereafter, with the first such quarterly vesting date to occur on 1 March 2027. The RSUs granted to Messrs Regan and O'Sullivan will vest as follows: one-fourth of the RSUs will vest on 1 January 2027, and the remaining RSUs will vest in twelve substantially equal instalments on each of 1 March, 1 June, 1 September and 1 December thereafter, with the first such quarterly vesting date to occur on 1 March 2027. RSUs may be subject to acceleration of vesting and exercisability under certain termination events and change in control events.

12.6 WARRANTS

As at the date of this Prospectus, the Company has the following common stock warrants (**Warrants**) on issue (assuming the Restructuring has occurred):

EXPIRY DATE	EXERCISE PRICE PER WARRANT SHARE (US$)	SECURITIES TO BE ISSUED ON EXERCISE OF WARRANTS	
		NUMBER OF WARRANT SHARES	EQUIVALENT NUMBER OF CDIs
20 December 2027	$656.93	Exercisable into 26 Shares	260
14 March 2035	$17.00	Exercisable into 263,712 Shares	2,637,120

Each Warrant is exercisable, at the option of the holder, at any time up until the expiry date by delivering to Saluda a duly executed exercise notice and payment in full of the exercise price in immediately available funds for the number of Shares purchased upon such exercise. As an alternative to payment in immediately available funds, the holder may, in its sole discretion, elect to exercise the Warrants through a cashless exercise, in which the holder would receive upon such exercise the net number of Shares determined according to the formula set forth in the Warrants. No fractional Shares will be issued in connection with the exercise of a Warrant. In lieu of fractional shares, Saluda will pay the holder an amount in cash equal to the fractional amount multiplied by the exercise price then in effect.

As discussed at Section 9.4, if the second or third tranches of the Perceptive Term Loan are drawn, the Company is required under the terms of the Perceptive Term Loan to issue a further Warrant to Perceptive at closing of each relevant tranche.

12.7 RESTRUCTURING

Immediately prior to allotment of the CDIs under the Offer, Saluda intends to effect a reverse stock split at a ratio of 51.5-for-one, such that every 51.5 issued and outstanding Shares were consolidated into one Share (the **Restructuring**). The Restructuring will become effective immediately prior to, but contingent upon, the allotment of the CDIs under the Offer.

Saluda has obtained clearances from the Board and its existing Shareholders to effect the Restructuring.

The Restructuring will result in the pre-allotment capital and ownership structure described in Section 8.5.1 (subject to the matters noted in that Section).

Unless otherwise indicated, this Prospectus has been prepared on a post Restructuring basis and all Share, CDI, Warrant, Option and RSU numbers and Warrant and Option exercise prices in this Prospectus are shown on a post Restructuring basis.

12.8 CHESS DEPOSITARY INTERESTS

Saluda is incorporated in Delaware. To enable companies such as Saluda to have their securities cleared and settled electronically through CHESS, depositary instruments called CDIs are issued. Pursuant to the ASX Settlement Operating Rules, CDI Holders receive the economic benefits of actual ownership of the underlying Shares. CDIs are traded in a manner similar to shares of Australian companies listed on the ASX.

CDIs will be held in uncertificated form and settled/transferred through CHESS. No share certificates will be issued to CDI holders. Shareholders of the Company cannot trade their directly held Shares on the ASX without first converting their Shares into CDIs.

12. Additional information continued

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RIGHTS AND SPECIFIC FEATURES (INCLUDING KEY DIFFERENCES) ATTACHING TO CDIs	
What is the nature of CDIs?	In order for the Shares to trade electronically on the ASX, Saluda intends to participate in the electronic transfer system known as CHESS operated by ASX Settlement. CHESS cannot be directly used for the transfer of securities of companies domiciled in certain foreign jurisdictions, such as the U.S. Accordingly, to enable the Shares to be cleared and settled electronically through CHESS, Saluda intends to issue depositary interests called CHESS Depositary Interests or CDIs. CDIs confer the beneficial ownership in foreign securities, such as the Shares, on the CDI holder, with the legal title to such Shares being held by an Australian depositary nominee, CDN. CDI Holders receive all direct economic and other benefits of the Shares.
Who is the depositary nominee and what do they do?	Saluda will appoint CDN, a subsidiary of the ASX, and an approved general participant of ASX Settlement to act as its Australian depositary. CDN will hold legal title to the Shares on behalf of CDI Holders. CDN will receive no fees for acting as the depositary for the CDIs. By completing an Application Form, an Applicant will apply for Shares to be issued to CDN, which will in turn issue CDIs to the Applicant. CDN may not dispose of any of the Shares unless authorized by the ASX Settlement Operating Rules, and is not able to create any interest that is inconsistent with the beneficial title held by CDI Holders.
What registers will be maintained recording your interests?	On Listing, Saluda will operate three registers for the Shares and CDIs: In the U.S., an uncertificated principal register of Shares, and in Australia: • an uncertificated issuer-sponsored sub-register of CDIs; and • an uncertificated CHESS sub-register of CDIs. The register of Shares will be the register of legal title. Saluda must ensure that at all times the total number of CDIs on the issuer sponsored sub-register of CDIs and CHESS sub-register of CDIs reconciles with the number of Shares registered in the name of CDN on the Share register. Saluda will make available for inspection the Share register and the CDI register as if those registers were registers of securities of an Australian listed public company.
How is local and international trading in CDIs effected?	CDI Holders who wish to trade their CDIs will be transferring the beneficial interest in the Shares rather than the legal title. The transfer will be settled electronically by delivery of the relevant CDI holdings through CHESS. In other respects, trading in CDIs is essentially the same as trading in other CHESS approved securities, such as shares in an Australian company.
What is the CDI: Share ratio?	10 CDIs will represent an interest in 1 Share. To obtain 1 Share, an investor will need to convert 10 CDIs.
What will CDI Holders receive on acceptance of their Applications?	Each CDI Holder will receive a holding statement which sets out the number of CDIs held by the CDI Holder and the reference number of the holding. These holding statements will be provided to a holder when a holding is first established and where there is a change in the holdings of CDIs.

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RIGHTS AND SPECIFIC FEATURES (INCLUDING KEY DIFFERENCES) ATTACHING TO CDIs	
How do CDI Holders convert from a CDI holding to a direct holding of Shares?	A CDI Holder may either leave their holding in the form of CDIs (so that legal title remains in the name of CDN) or convert the CDIs to Shares and hold legal title in their own right. CDI Holders who wish to convert their ASX listed CDIs to Shares to be held on the U.S. principal register can do so by instructing Saluda's Registry in Australia either: • directly in the case of CDIs on the issuer sponsored sub-register operated by Saluda. CDI Holders will be provided with a form entitled "CDI Cancellation AU-US Register" for completion and return to Saluda's Registry; or • through their sponsoring participant (usually their broker) in the case of CDIs which are sponsored on the CHESS sub-register. In this case, the sponsoring broker will arrange for completion of the relevant form and its return to Saluda's Registry. Saluda's Registry will then arrange for the Shares to be transferred from CDN into the name of that holder and a new holding statement will be issued. This will cause the Shares to be registered in the name of the holder on the U.S. principal register and trading on the ASX will no longer be possible. The Shares are not and will not in the near future be quoted on any market in the U.S. The Shares may bear restrictive legends on the register in accordance with U.S. law. Saluda's Registry will not charge a security holder or Saluda a fee for transferring CDI holdings into Shares. It is expected that this process will be completed within three to five days, provided that the Registry is in receipt of a duly completed and valid form. However, no guarantee can be given about the time for this conversion to take place. If holders of the Shares wish to convert their holdings to CDIs, they can do so by contacting Saluda's Registry. Saluda's Registry will not charge a fee to a holder of Shares seeking to convert the Shares to CDIs. The underlying Shares will then be transferred to CDN and a holding statement for the CDIs will be issued to the CDI Holder. The CDI Holder will not be able to trade such CDIs on the ASX until this transfer process is completed. The contact details for the Registry are set out in the Corporate Directory.
How do shareholders convert from a direct shareholding to a CDI holding?	Holders may hold their interests in Saluda in the form of CDIs (which may facilitate trading of those interests on the ASX) or in Shares (which are not tradeable on the ASX). If holders of Shares wish to convert their holdings to CDIs, they can do so by contacting the Registry in the U.S. The Registry will not charge a fee to a holder of Shares seeking to convert the Shares to CDIs.

12. Additional information continued

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RIGHTS AND SPECIFIC FEATURES (INCLUDING KEY DIFFERENCES) ATTACHING TO CDIs	
What is the 'Foreign Ownership Restriction' designation on the ASX?	Under Rule 144 of the U.S. Securities Act, the CDIs and underlying Shares will be 'restricted securities' that will be subject to an initial one-year Distribution Compliance Period from the date of issue of the CDIs, which period may be extended by the Company in its discretion. This means that during the Distribution Compliance Period you will not be permitted to sell the CDIs sold to you in the Offer or the underlying Shares into the U.S. or to, or for the account or benefit of, a U.S. Person, unless the resale of the CDIs is, or the underlying Shares are, registered under the U.S. Securities Act (which Saluda is not obligated to do) or an exemption from such registration is available. If you are to sell CDIs or underlying Shares in such circumstance pursuant to an exemption from registration, you would need to establish the availability of such an exemption at your expense. Saluda has requested that, during the Distribution Compliance Period, all CDIs issued or transferred under the Offer bear a designation on the ASX in order to enforce the above restrictions. This designation is intended to prevent any CDIs from being sold on the ASX during the Distribution Compliance Period, to persons that are in the U.S. or to, or for the account or benefit of, U.S. Persons. Saluda cannot provide any assurances as to when this designation will be lifted from the CDIs. For more information, see Section 12.14. The discussion above assumes that none of the CDIs are acquired and resold by certain affiliates of Saluda. Any CDIs that are acquired and subsequently resold by such affiliates will be subject to a new Distribution Compliance Period. Because it would not be possible to distinguish such CDIs resold by such affiliates of Saluda from the other CDIs, the practical impact of such a resale would be to extend the Distribution Compliance Period for all of Saluda's CDIs.
What are the voting rights of a CDI Holder?	CDI Holders may attend and vote at Saluda's general meetings. Under the Listing Rules and the ASX Settlement Operating Rules, Saluda as an issuer of CDIs must allow CDI Holders to attend any meeting of the holders of Shares unless relevant U.S. law at the time of the meeting prevents CDI Holders from attending those meetings. In order to vote at such meetings, CDI Holders may: • instruct CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI Holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to Saluda's Registry prior to the meeting; or • convert their CDIs into a holding of Shares and voting these at the meeting (however, if thereafter the former CDI Holder wishes to sell their investment on the ASX it would be necessary to convert the Shares back to CDIs). In order to vote in person, the conversion must be completed prior to the record date for the meeting. See above for further information regarding the conversion process. One of the above steps must be undertaken before CDI Holders can vote at Shareholder meetings. As each CDI represents 0.1 Shares, a CDI Holder will be entitled to 1 vote for every 10 CDIs they hold. CDI voting instruction forms and details of these alternatives will be included in each notice of meeting sent to CDI Holders by Saluda. Since CDN is the member of Saluda but the holders of CDIs are not members themselves as they merely hold a beneficial interest in the applicable shares, the holders of CDIs do not have any directly enforceable rights under Saluda's Certificate of Incorporation or Bylaws.

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RIGHTS AND SPECIFIC FEATURES (INCLUDING KEY DIFFERENCES) ATTACHING TO CDIs	
What dividend and other distribution entitlements do CDI Holders have?	Despite legal title to the Shares being vested in CDN, the ASX Settlement Operating Rules provide that CDI holders are to receive all direct economic benefits and other entitlements in relation to the underlying Shares, these include dividends and other entitlements which attach to the underlying Shares. Given ten CDIs will represent an interest in one Share, dividends and other entitlements which attach to each Share will simply flow through to the corresponding ten CDIs and hence to the CDI Holder. Whilst Saluda does not anticipate declaring any dividends in the foreseeable future, should it do so, Saluda will declare any dividends in U.S. dollars. Saluda will pay any dividends to CDI Holders in Australian dollars. If a CDI Holder wishes to receive dividends in U.S. dollars they must provide their U.S. dollar bank account details to Saluda's Registry, no later than the close of business on the dividend record date. Holders of CDIs will receive an equivalent amount in Australian dollars based on the prevailing exchange rate when the U.S. dollars are converted into Australian dollars.
What corporate action entitlement (such as rights issues and bonus issues) do CDI Holders have?	Despite legal title to the Shares being vested in CDN, the ASX Settlement Operating Rules provide that CDI Holders are to receive all direct economic benefits and other entitlements in relation to the underlying Shares. These include the right to participate in rights issues, bonus issues and capital reductions. These rights exist only under the ASX Settlement Operating Rules, rather than the U.S. Exchange Act or the DGCL. Saluda must administer all corporate actions (including bonus issues, rights issues, reconstructions and mergers) that result in the issue of additional or replacement Shares so that the benefits are generally distributed to CDI Holders on the same terms as Shareholders as though the CDI Holders are the holders of the relevant corresponding number of Shares.
What rights do CDI Holders have in the event of a takeover?	If a takeover bid or similar transaction is made in relation to the Shares of which CDN is the registered holder, under the ASX Settlement Operating Rules, CDN must not accept the offer made under the takeover bid except to the extent that acceptance is authorised by the relevant CDI Holder. In the event CDI Holders instruct it to do so, CDN must ensure that the offeror processes the takeover acceptance. These rights exist only under the ASX Settlement Operating Rules, rather than the U.S. Exchange Act or the DGCL.
What notices and announcement will CDI Holders receive?	CDI Holders will receive all notices and company announcements (such as annual reports) that Shareholders are entitled to receive from Saluda. These rights exist only under the ASX Settlement Operating Rules and Saluda's Bylaws, rather than the U.S. Exchange Act or the DGCL.
What rights do CDI Holders have on liquidation or winding up?	In the event of Saluda's liquidation, dissolution or winding up, a CDI Holder will be entitled to the same economic benefit on their CDIs as Shareholders receive on the Shares they hold. These rights exist only under the ASX Settlement Operating Rules, rather than the U.S. Exchange Act or the DGCL.
Will CDI Holders incur any additional ASX or ASX Settlement fees or charges as a result of holding CDIs rather than Shares?	A CDI Holder will not incur any additional ASX or ASX Settlement fees or charges as a result of holding CDIs rather than Shares. CDN will not receive any fees from investors for acting as the depositary for the CDIs.

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RIGHTS AND SPECIFIC FEATURES (INCLUDING KEY DIFFERENCES) ATTACHING TO CDIs	
Where do I find further information about transferring CDIs?	If your CDIs are held on the CHESS sub-register, contact your sponsoring participant (usually your broker). If your CDIs are held on the issuer-sponsored sub-register, contact the Registry. The transfer of CDIs may be effected by a proper transfer (defined as a Proper ASTC Transfer in the *Corporations Regulations 2001* (Cth)). Upon receipt of a proper transfer and subject to the *Corporations Regulations 2001* (Cth), Listing Rules and ASX Settlement Operating Rules, Saluda will approve registration of a transferee named in the transfer as a holder of CDIs. The transferor will be deemed to remain the holder of the CDIs until a proper transfer has been effected or the name of the transferee is entered in the CHESS sub-register or the issuer-sponsored sub-register (as applicable) as the holder of the CDIs. Saluda may suspend the registration of transfers of CDIs, or conversion of Shares into CDIs (and vice versa) at the times and for the periods they determine, but only as permitted by the ASX Settlement Operating Rules.
Divestment of nonmarketable parcel of CDIs	Subject to certain restrictions and procedures, Saluda may, after giving written notice to a CDI holder, sell a CDI holder's CDIs if the CDI holder holds less than a non-marketable parcel (a parcel of securities that is less than a marketable parcel within the meaning of the ASX Operating Rules Procedures). The CDI holder will receive the proceeds of any such sale.
Where can further information be obtained?	For further information in relation to CDIs and the matters referred to above, please refer to the ASX website and the documents entitled: • "Understanding CHESS Depositary Interests" at: www.asx.com.au/content/dam/asx/participants/cash-market/bonds/chess-depositary-interests.pdf; and • ASX Guidance Note 5 at: www.asx.com.au/about/regulation/rules-guidance-notes-and-waivers/asx-listing-rules-guidance-notes-and-waivers.html, or contact your stockbroker or the Saluda Offer Information Line.
Stamp duty	As at the date of this Prospectus, no duties should be payable under U.S. or Australian federal or state laws on the transfer of Shares or CDIs. Transfers of Shares or CDIs involving a change in beneficial ownership may be subject to taxation under U.S. or Australian federal or state laws (or the laws of other applicable jurisdictions). Securityholders should seek professional advice from their accountant, financial advisor, stockbroker, lawyer or other professional advisor before deciding whether to invest or deal in securities.

12.9 CERTIFICATE OF INCORPORATION, BYLAWS AND RIGHTS ATTACHING TO SHARES

As Saluda is incorporated under the laws of Delaware in the U.S., rights attaching to the Shares will be governed by Delaware law, U.S. federal securities laws, Saluda's Certificate of Incorporation and its Bylaws. Once listed on the ASX, Saluda will also become subject to the Listing Rules.

The following is not an exhaustive statement of all relevant laws, rules and regulations and is intended as a general guide only of the rights attaching to the Shares.

If you would like to read Saluda's Certificate of Incorporation or Bylaws, these documents will be made available free of charge upon written request to:

Attn: Saluda Medical Pty Ltd, Level 2/5 Eden Park Dr, Macquarie Park NSW 2113

You should consult with your own legal adviser if you require further information.

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RIGHTS OF HOLDERS OF SHARES IN SALUDA	
RIGHTS ATTACHING TO SHARES	
Share capital	Following the completion of the Offer, the Company's authorised capital stock will consist of 300,000,000 Shares. **Preferred stock** Following the completion of the Offer, the Board will have the authority, without further action by Shareholders, to issue shares of preferred stock in one or more series. The Board may designate the rights, preferences, privileges and restrictions of the preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preference and the number of shares constituting any series. The issuance of preferred stock could have the effect of restricting dividends on Shares, diluting the voting power of Shares, impairing the liquidation rights of Shares, or delaying or preventing a change of control. Even the ability to issue preferred stock could delay or impede a change of control. Immediately after the closing of the Offers, no shares of preferred stock will be outstanding, and the Company currently has no plan to issue any shares of preferred stock.
Purchase of own shares	Under Delaware law, the Directors may be able to cause Saluda to buy-back its outstanding shares out of funds legally available without needing to obtain Shareholder approval. A company generally is not permitted to buy back its shares if its liabilities exceed its assets. In addition, share buy-backs are subject to US securities laws.
Acquisition/ transfer of shares	Under Delaware law, shares are freely transferable, subject to applicable U.S. federal and state securities laws, unless a transfer restriction is imposed by a company's certificate of incorporation, bylaws or an agreement signed with the holder of the shares at issue. Accordingly, a company is obligated to register a transfer of shares unless such transfer would violate federal or state securities laws or a valid transfer restriction would be imposed as described above. Once listed on the ASX, the Directors must not in any way prevent, delay or interfere with the registration of a transfer of quoted securities in Saluda unless permitted by the Listing Rules or the ASX Settlement Operating Rules.
Dividends and distributions	Under Delaware law, the Directors may declare and pay dividends generally out of: • the surplus of the Company, which is defined to be the Company's net assets less capital; or • if no surplus exists, out of the net profits of the Company for the financial year in which the dividend is declared and/or the preceding financial year.
Variation of class rights amendments to incorporating documents	Under Delaware law, any amendment to Saluda's Certificate of Incorporation that would alter or change the special rights, powers or preferences of one or more classes or series of stock so as to affect them adversely must, in addition to any other vote required by law or under the Certificate of Incorporation, be approved by the adversely affected class or series by a majority of all votes entitled to be cast by the Shareholders of that class or series. Except as otherwise provided in Saluda's Certificate of Incorporation, the issuance of shares of any series of common stock or preferred stock (assuming there were a sufficient number of authorised and unissued shares of such series) would not require a separate vote of any class or series of stock of Saluda. However, an amendment increasing the number of authorised shares of a class or series of stock must be approved by the holders of a majority of the votes entitled to be cast by the Shareholders of that class or series, unless Saluda's Certificate of Incorporation provides that such vote is not necessary. Under Delaware law and Saluda's Certificate of Incorporation, amendments to Saluda's Bylaws can be made with Board or Shareholder approval. The Board is authorised to amend Saluda's Bylaws at any time by a vote of the majority of the authorised number of Directors. In order for the Shareholders to amend Saluda's Bylaws, the amendment must be approved by the holders of at least 66⅔% of the then-outstanding voting stock.

12. Additional information continued

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RIGHTS OF HOLDERS OF SHARES IN SALUDA	
CAPITAL RAISING	
Issue of Shares	See the description of Saluda's ability to issue Shares and preferred stock contained in the "Share Capital" section above.
Listing Rules	Once listed on the ASX, Saluda will be subject to the annual limit on security issuances found in the Listing Rules in relation to issuances of equity securities.
DIRECTORS	
Directors' liability	Under Delaware law, a company may include in its certificate of incorporation a provision eliminating or limiting the personal liability of a director to the company or its Shareholders for monetary damages for breach of fiduciary duty as a director. However, the provision may not eliminate liability for breach of the director's duty of loyalty, acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, unlawful payment of dividends, unlawful purchases or redemptions of the Company's stock, or any transaction from which the director derived an improper personal benefit. Saluda's Certificate of Incorporation provides that the liability of the Directors for monetary damages is eliminated to the fullest extent under applicable law.
Nomination of Directors	Under Saluda's Bylaws, for nominations for the election to the Board to be properly brought before an annual meeting by a Shareholder, the Shareholder must deliver written notice, which contains the information required by Saluda's Bylaws, to the Secretary of Saluda no later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that, in the event that the date of the annual meeting is advanced or delayed by more than 30 days of the anniversary of the preceding year's annual meeting, notice by the Shareholder to be timely must be received not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. Under Delaware law and Saluda's Bylaws, there is plurality voting for the election of Directors at annual meetings, which does not apply under Australian law. (In plurality voting, successful candidates are those that receive the highest number of votes at that meeting, irrespective of whether any such candidate has received a majority of the votes cast by Shareholders at the meeting, as is required in Australia. Under this mechanism, Shareholders are effectively not given the option to vote 'against' the proposed resolution.)
Casual vacancies	Unless the Board determines by resolution that vacancies will be filled by the Shareholders, vacancies on the Board will be filled only by the affirmative vote of a majority of the Directors then in office, even though less than a quorum of the Board, and not by the Shareholders. Any Director elected in accordance with the preceding sentence will hold office for the remainder of the full term of the Director for which the vacancy was created or occurred and until such Director's successor will have been elected and qualified. Saluda is applying for a waiver from Listing Rule 14.4 to permit this to occur.
Removal of Directors	Subject to the rights of holders of any series of preferred stock to elect additional directors under specified circumstances neither the Board nor any individual Director may be removed without cause. Saluda's Certificate of Incorporation provides that, subject to any limitation imposed by applicable law, any individual Director or Directors may be removed with cause by the approval of the holders of at least 66 2/3% of the then-outstanding voting stock.

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RIGHTS OF HOLDERS OF SHARES IN SALUDA	
SHAREHOLDER MEETINGS	
Annual meeting	Under Delaware law, Saluda is required to have an annual meeting of Shareholders and, if more than 13 months have passed since the last annual meeting, a Shareholder or Director may petition the court for an order compelling the holding of the annual meeting.
Notice of Shareholder meetings	Under Saluda's Bylaws, notice of a meeting of Saluda's Shareholders must generally be given to Shareholders entitled to vote at the meeting not less than 10 days, and not more than 60 days, prior to the date of the meeting.
Calling meetings	Under Saluda's Bylaws, notice of a meeting of Saluda's Shareholders must generally be given to Shareholders entitled to vote at the meeting not less than 10 days, and not more than 60 days, prior to the date of the meeting.
Voting at meetings	At a meeting of Saluda, every holder of Shares present in person or by proxy is entitled to one vote for each Share held on the record date for the meeting on all matters submitted to a vote of Shareholders. Under Saluda's Bylaws, the presence at the meeting (in person, by remote communication or represented by proxy) of the holders of a majority of the outstanding shares of stock entitled to vote will constitute a quorum for the transaction of business. Except as otherwise provided by statute or by applicable stock exchange rules, the affirmative vote of one-third of Shares present in person, by remote communication or represented by proxy at the meeting and entitled to vote generally on the subject matter will be the act of the Shareholders. Directors will be elected by a plurality of the votes of the Shares (present in person, by remote communication or represented by proxy at the meeting) and entitled to vote on the election of Directors.
Transactions requiring Shareholder approval	The types of transactions that require Shareholder approval are governed by Delaware law and Saluda's Certificate of Incorporation and Bylaws. Generally speaking, the following types of transactions will require Shareholder approval by a majority of votes: • amending the Certificate of Incorporation; and • fundamental corporate changes such as a merger or acquisition, the sale of all or substantially all of Saluda's assets, or the dissolution of Saluda. Under Saluda's Certificate of Incorporation and Bylaws, the removal of Directors or the amendment of either the Bylaws or certain articles of the Certificate of Incorporation requires the affirmative vote of the holders of at least 66⅔% of the Shares entitled to vote on such matters.
Quorum	Under Saluda's Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorised, of the holders of one-third of the outstanding Shares of stock entitled to vote shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of Shareholders may be adjourned, from time to time, either by the chairperson of the meeting or by vote of the holders of a majority of the Shares represented thereat, but no other business shall be transacted at such meeting.

12. Additional information continued

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RIGHTS OF HOLDERS OF SHARES IN SALUDA	
RELATIONSHIP BETWEEN THE COMPANY AND ITS SHAREHOLDERS	
Relief from oppression	Unlike the Corporations Act, there is no statutory provisions under Delaware law allowing a Shareholder to bring an action in cases of conduct which is either contrary to the interests of Shareholders as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any Shareholders in their capacity as Shareholder, or themselves in a capacity other than as a Shareholder. However, judicial remedies may be available to Shareholders in comparable circumstances.
Derivative actions	Under Delaware law, a Shareholder may bring a derivative action on behalf of the Company where those in control of the Company have failed to assert a claim belonging to the Company. A Shareholder must meet certain eligibility and standing requirements, including a requirement that the plaintiff has been a Shareholder of the Company at the time of the act of which the plaintiff complains and a requirement that the plaintiff maintain his or her status as a Shareholder throughout the course of the litigation. A derivative plaintiff must also have made a demand on the Directors of Saluda to assert the corporate claim, unless such a demand would have been futile.
Forum selection	Under Saluda's Certificate of Incorporation and Bylaws, unless Saluda consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) and any appellate court therefrom shall be the sole and exclusive forum for the following claims or causes of action under Delaware statutory or common law: (a) any derivative claim or cause of action brought on behalf of Saluda; (b) any claim or cause of action for breach of a fiduciary duty owed by any current or former director, officer or other employee of Saluda, to Saluda or Saluda's Shareholders; (c) any claim or cause of action against Saluda or any current or former director, officer or other employee of Saluda, arising out of or pursuant to any provision of the Delaware General Corporation Law, Saluda's Bylaws (as each may be amended from time to time); (d) any claim or cause of action seeking to interpret, apply, enforce or determine the validity of Saluda's Bylaws (as each may be amended from time to time, including any right, obligation, or remedy thereunder); (e) any claim or cause of action as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware; and (f) any claim or cause of action against Saluda or any current or former director, officer or other employee of Saluda, governed by the internal-affairs doctrine or otherwise related to Saluda's internal affairs, in all cases to the fullest extent permitted by law and subject to the court having personal jurisdiction over the indispensable parties named as defendants.

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RIGHTS OF HOLDERS OF SHARES IN SALUDA	
TAKEOVERS	
Takeovers	Saluda is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of shares, including provisions that relate to substantial holdings and takeovers. The acquisition of securities in Saluda is subject to Delaware law and applicable US securities laws. The ASX usually requires a foreign entity admitted to the Official List of the ASX to undertake to give information to the ASX (for release to the market) about the ownership of its securities. The usual undertakings are to tell the market: • immediately the entity becomes aware of any person becoming a substantial holder within the meaning of section 671B of the Corporations Act, and to disclose any details of the substantial holding of which the entity is aware; and • of subsequent changes in the substantial holdings of which the entity becomes aware. Section 203 of the Delaware General Corporation Law generally prohibits a Delaware company from engaging in any business combinations with any Shareholder who owns, or at any time in the last three years owned, 15% or more of the company's outstanding voting stock, referred to as an interested Shareholder, for a period of three years following the date on which the Shareholder became an interested Shareholder, subject to certain exceptions. Section 203 of the Delaware General Corporation Law will not initially apply to Saluda unless it decides to opt-in to the provision, until it has at least 2,000 Shareholders, or it becomes listed on a U.S. national stock exchange. In addition, under Delaware law, the Board will have the ability to implement a broader range of takeover defence mechanisms than what is currently permitted under Australian takeovers legislation and policy. The availability of these mechanisms may be regarded as a potential disadvantage to the extent that they enable management to discourage or defeat a takeover bid which Shareholders would otherwise like to consider. However, such actions may also advantage Shareholders by providing protections against a takeover that is not in the short or long term interests of the company. Defensive mechanisms could include, amongst other things: (i) adoption of a Shareholders rights plan (or so-called 'poison pill') and (ii) issuance of stock (including preferred stock having disproportionate or blocking voting rights) to friendly hands. While the Board will have substantial discretion to implement such provisions, its exercise of that discretion must comply with its fiduciary duties of loyalty and care. Under Delaware case law, in any litigation by Shareholders challenging the adoption of 'defensive' provisions such as those described above, the Board will have the initial burden of demonstrating that it had reasonable grounds for believing that a threat to corporate policy and effectiveness existed and that the action taken was reasonable in relation to the threat posed.
WINDING UP	
Winding up	Under Delaware law, the Board can decide whether it is advisable to dissolve the company, or sell any or all of its assets, and submit a resolution to approve dissolution or a sale of all or substantially all assets for Shareholder approval. A majority of the shares outstanding must approve such resolution for it to be adopted. Dissolution may also be authorised without Director action if all the Shareholders entitled to vote consent in writing and a certificate of dissolution is filed with the Secretary of State of Delaware. In the event of Saluda's liquidation or dissolution, holders of common stock are entitled to share in all assets remaining after payment of all debts and other liabilities, subject to the prior rights of the outstanding preferred stock, if any. Holders of Saluda's common stock have no pre-emptive, subscription, redemption or conversion rights.

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RIGHTS OF HOLDERS OF SHARES IN SALUDA	
OTHER	
Dissolution	Under Delaware law, the Board can decide whether it is advisable to dissolve the company, or sell any or all of its assets, and submit a resolution to approve dissolution or a sale of all or substantially all assets for Shareholder approval. A majority of the shares outstanding must approve such resolution for it to be adopted. Dissolution may also be authorised without Director action if all the Shareholders entitled to vote consent in writing and a certificate of dissolution is filed with the Secretary of State of Delaware. In the event of Saluda's liquidation or dissolution, holders of common stock are entitled to share in all assets remaining after payment of all debts and other liabilities, subject to the prior rights of the outstanding preferred stock, if any. Holders of Saluda's common stock have no pre-emptive, subscription, redemption or conversion rights.

12.10 DIFFERENCES BETWEEN AUSTRALIAN AND U.S. LAW

Saluda was incorporated in the State of Delaware, and its corporate affairs are governed by (among other things) its Certificate of Incorporation, Bylaws and the DGCL. It operates subject to the DGCL and, in particular, is not subject to certain aspects of Australian company law. Set out below is a table summarising some of the key differences between Australian company law and the DGCL (as well as provisions of U.S. federal securities laws that are not currently applicable to Saluda).

	DELAWARE LAW AND U.S. FEDERAL LAW	AUSTRALIAN LAW
Transactions that require Shareholder approval	The DGCL and Saluda's Certificate of Incorporation and Bylaws govern the type of transactions that require Shareholder approval. Generally, the following types of transactions will require Shareholder approval: • Amendments to the Certificate of Incorporation; and • Material corporate transactions such as a merger or acquisition, the sale of all or substantially all of Saluda's assets or the dissolution of Saluda. Saluda's Certificate of Incorporation provides that Saluda's Bylaws may be amended by an affirmative vote of a majority of the Board. Saluda's Bylaws provide that the Bylaws may also be amended by at least 66⅔% of the Shareholders that are entitled to vote on the matter.	Under the Corporations Act, the principal transactions or actions requiring Shareholder approval include: • adopting or altering the constitution of the Company; • appointing or removing a Director or auditor; • certain transactions with related parties of the Company; • putting the Company into liquidation; • changes to the rights attached to shares; and • shareholder approval is also required for certain transactions affecting share capital (for example, share buybacks and share capital reductions). Under the Listing Rules, Shareholder approval is required for matters including: • increases in the total amount of Directors' fees; • Directors' termination benefits in certain circumstances; • certain transactions with related parties; • certain issues of shares; and • if a company proposes to make a significant change to the nature or scale of its activities or proposes to dispose of its main undertaking.

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	DELAWARE LAW AND U.S. FEDERAL LAW	AUSTRALIAN LAW
Shareholders' right to request or requisition a general meeting	Pursuant to Saluda's Bylaws, special meetings of Saluda's Shareholders may be called at any time by the Board, the Chair of the Board or by Saluda's Chief Executive Officer.	The Corporations Act requires the Directors to call a general meeting on the request of members with at least 5% of the vote that may be cast at the general meeting. Shareholders with at least 5% of the votes that may be cast at the general meeting may also call and arrange to hold a general meeting at their own expense.
Shareholders' right to appoint proxies to attend and vote at meetings on their behalf	At a meeting of Saluda's Shareholders, every holder of Shares of Saluda's common stock (present in person or by proxy) is entitled to one vote for each Share held on the record date for the meeting on all matters submitted to a vote of Shareholders. Under Saluda's Bylaws, the presence at the meeting (in person or represented by proxy) of the holders of a majority of the outstanding Shares of stock entitled to vote will constitute a quorum for the transaction of business. All elections for directors shall be determined by a plurality of the votes cast, and except as otherwise required by law, all other matters shall be determined by a majority of the votes cast affirmatively or negatively. Pursuant to section 216 of the DGCL and except as otherwise provided by statute or by applicable stock exchange rules, the affirmative vote of the majority of Shares present in person, by remote communication or represented by proxy at the meeting and entitled to vote generally on the subject matter will be the act of the Shareholders.	The position is comparable under the Corporations Act.
Changes in the rights attaching to shares	The DGCL allows a majority of the Shares of a class or series of Shares, or such other number of Shares as set out in a Company's Certificate of Incorporation, to amend the rights attaching to such class or series (as applicable) of Shares.	The Corporations Act allows a company to set out in its constitution the procedure for varying or cancelling rights attached to shares in a class of shares. If a company does not have a constitution, or has a constitution that does not set out a procedure, such rights may only be varied or cancelled by: • a special resolution passed at a meeting for a company with a share capital of the class of members holding shares in the class; or • a written consent of members with at least 75% of the votes in the class.

12. Additional information continued

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	DELAWARE LAW AND U.S. FEDERAL LAW	AUSTRALIAN LAW
Statutory Shareholder protections against oppressive conduct	There are no statutory provisions under the DGCL that specifically provide for a Shareholder cause of action in cases of conduct which is either contrary to the interests of Shareholders as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any Shareholders in their capacity as a Shareholder, or themselves in a capacity other than as a Shareholder.	Under the Corporations Act, Shareholders have statutory remedies for oppressive or unfair conduct of the Company's affairs and the court can make any order as it sees appropriate.
Shareholders' rights to bring or intervene in legal proceedings on behalf of Saluda	Under the DGCL, a Shareholder may bring a derivative action on behalf of the Company to assert a claim belonging to the Company. A Shareholder must meet certain eligibility and standing requirements, including a requirement that the plaintiff is a Shareholder of the Company at the time of the act of which the plaintiff makes the complaint and a requirement that the plaintiff maintain his or her status as a Shareholder throughout the course of the litigation. The plaintiff in a derivative action must also have made a demand on the Directors of the Company to assert the corporate claim before the plaintiff filed a formal derivative action, unless such a demand would have been futile.	The Corporations Act permits a Shareholder to apply to the court for leave to bring proceedings on behalf of the Company, or to intervene in proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the company for those proceedings, or for a particular step in those proceedings. The court must grant the application if it is satisfied that: • it is probable that the Company will not itself bring the proceedings, or properly take responsibility for them, or for the steps in them; • the applicant is acting in good faith; • it is in the best interests of the Company that the applicant be granted leave; • if the applicant is applying for leave to bring proceedings, there is a serious question to be tried; and • either at least 14 days before making the application, the applicant gave written notice to the Company of the intention to apply for leave and of the reasons for applying, or the court considers it appropriate to grant leave. The Corporations Act provides that proceedings brought or intervened in with leave must not be discontinued, compromised or settled without the leave of the court.

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	DELAWARE LAW AND U.S. FEDERAL LAW	AUSTRALIAN LAW
"Two Strikes" rule in relation to remuneration reports	In the U.S., the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (U.S.) requires all 'reporting companies' to have an advisory Shareholder vote on pay (a "say-on-pay" vote) at least once every three years. Companies must report the results and say how they have responded to these when making decisions on pay the following year. Saluda will be required to register as a U.S. reporting company pursuant to Section 12(g) of the U.S. Securities Exchange Act of 1934, as amended, (the **U.S. Exchange Act**), if, among other things: total assets of more than US$10 million at fiscal year-end and (ii) a class of equity securities (other than an exempted security) held of record by either 2,000 or more persons, or 500 or more persons who are not 'accredited investors' as defined in Rule 501(a) of Regulation D under the U.S. Securities Act. If Saluda qualifies as an 'emerging growth company' at the time it becomes a reporting company, then it will not be required to hold say-on-pay vote on pay until it is no longer an emerging growth company.	The Corporations Act requires that a company's annual report must include a report by the Directors on the company's remuneration framework (called a remuneration report). A resolution must be put to Shareholders at each annual general meeting of the company's Shareholders (**AGM**) seeking approval for the remuneration report. The approval is advisory only, however, if more than 25% of Shareholders vote against the remuneration report at two consecutive AGMs (that is, two strikes), an ordinary (50.1%) resolution must be put to Shareholders at the second AGM proposing that a further meeting be held within 90 days at which all of the Directors who approved the second remuneration report must resign and stand for re-election.
Emerging growth company	Saluda will be an emerging growth company for the first five fiscal years after it completes an initial public offering under the Securities Act of 1933, as amended, or, if earlier the earliest of: (i) the last day of the first fiscal year in which Saluda's annual gross revenues equal or exceed US$1.235 billion, (ii) the date that Saluda becomes a 'large accelerated filer' as defined in Rule 12b-2 under the U.S. Exchange Act, which would occur if the market value of Saluda's Shares that is held by non-affiliates exceeds US$700 million as of the last business day of Saluda's most recently completed second fiscal quarter, or (iii) the date on which Saluda has issued more than US$1.0 billion in non-convertible debt during the preceding three year period.	N/A

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	DELAWARE LAW AND U.S. FEDERAL LAW	AUSTRALIAN LAW
Large accelerated filer	A company becomes a large accelerated filer if it meets the following conditions as of the end of its fiscal year: (i) it has an aggregate worldwide market value of the voting and non-voting common equity held by non-affiliates of US$700 million or more as of the last business day of its second fiscal quarter; (ii) it has been subject to the requirements of section 13(a) or 15(d) of the U.S. Exchange Act for at least 12 months; (iii) it has filed at least one annual report pursuant to section 13(a) or 15(d) of the U.S. Exchange Act; and (iv) it is not eligible to rely on the requirements for smaller reporting companies for its annual and quarterly reports.	N/A
Disclosure of substantial holdings	Section 16 of the U.S. Exchange Act requires the reporting of beneficial ownership of a reporting company's equity securities by (i) directors, (ii) officers, and (iii) stockholders owning more than 10% of the company's common stock. In addition, the U.S. Exchange Act requires every person who acquires beneficial ownership of 5% or more of a U.S. reporting company's equity securities to disclose: • how many securities are beneficially owned by the filing person; • whether there is a movement of at least 1% in their beneficial ownership; and • whether they have intent to control or influence control of the company. These requirements will apply if Saluda becomes a public reporting company under the U.S. Exchange Act.	The Corporations Act requires every person who is a substantial holder to notify the listed company and the ASX that they are a substantial holder and to give prescribed information in relation to their holding if: • the person begins to have, or ceases to have, a substantial holding in the company; • the person has a substantial holding in the company and there is a movement of at least 1% in their holding; or • the person makes a takeover bid for securities of the company. Under the Corporations Act a person has a substantial holding if the total votes attached to voting shares in the company in which they or their associates have relevant interests is 5% or more of the total number of votes attached to voting shares in the company, or the person has made a takeover bid for voting shares in the company and the bid period has started and not yet ended. These provisions do not apply to Saluda as an entity established outside Australia. However, Saluda will be required to release to the ASX any substantial holder notices that are filed in the U.S. To the extent required by the ASX, Saluda will inform the market, to the best of its knowledge, if it becomes aware of substantial holdings that would require disclosure under the Corporations Act as if it applied to Saluda.

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	DELAWARE LAW AND U.S. FEDERAL LAW	AUSTRALIAN LAW
How takeovers are regulated?	The acquisition of securities in Saluda is subject to the DGCL and applicable U.S. federal securities laws. Section 203 of the DGCL generally prohibits a Delaware corporation from engaging in any business combinations with any Shareholder who owns, or at any time in the last three years owned, 15% or more of the company's outstanding voting stock, referred to as an interested Shareholder, for a period of three years following the date on which the Shareholder became an interested Shareholder, subject to certain exceptions. Section 203 of the DGCL will not initially apply to Saluda unless it decides to opt-in to the provision, until it has at least 2,000 Shareholders, or it becomes listed on a U.S. national stock exchange. In addition, under the DGCL, the Board will have the ability to implement a broader range of takeover defence mechanisms. Under U.S. federal securities law, certain "tender offers" to acquire shares of a company are subject to regulations that require that such offers comply with certain terms, notices, timing and other procedures.	The Corporations Act prohibits a person from acquiring a relevant interest in issued voting shares in a listed company if any person's voting power in the company will increase from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%. Exceptions to the prohibition apply (for example, Acquisitions with Shareholder approval, 3% creep over six months and rights issues that satisfy prescribed conditions). Substantial holder notice requirements apply (as discussed above under the heading 'Disclosure of substantial holdings'). Compulsory acquisitions are permitted by persons who hold 90% or more of securities or voting rights in a company. The Australian takeovers regime will not apply to Saluda as a foreign company.
Dissenter's rights	Section 262 of the DGCL provides rights of appraisal to Shareholders of record of Shares of a company if the company is party to a merger or consolidation, subject to specified exceptions and compliance with specified procedural requirements. In order for a Shareholder to demand appraisal of its Shares under section 262, the Shareholder: • must have continuous record ownership of the Shares from the date of the demand for appraisal through the effective date of the merger or consolidation; • must deliver a written demand for appraisal prior to the Shareholders' vote on the merger or consolidation; • must not vote in favour of the merger or consolidation or consent to it in writing; and • must file a petition with the Delaware Court of Chancery within 120 days after the effective date of the merger or consolidation. Appraisal rights under section 262 are not available in various circumstances, including when the merger or consolidation does not require the approval of the Shareholders.	The Corporations Act does not contain general appraisal rights remedies, however a Shareholder may be entitled to have the company or a bidder acquire the Shareholder's shares for a fair value where an act or omission by majority shareholders is determined by a court to be oppressive or unfairly prejudicial to, or unfairly discriminatory against, a minority shareholder.

12. Additional information continued

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12.11 DIVIDEND POLICY

Saluda currently intends to invest all cash flow into the business in order to maximise its growth. Accordingly, no dividends will be payable for the foreseeable future following the Listing. The payment and amount of any potential future dividends declared by Saluda are subject to the discretion of the Directors and will depend upon, among other things, Saluda's earnings, financial position, tax position and capital requirements.

Whilst Saluda does not anticipate declaring any dividends in the foreseeable future, should it do so, Saluda will declare any dividends in US$. Saluda will pay any dividends to CDI Holders in A$. If a CDI Holder wishes to receive dividends in US$ they must complete an appropriate election form and return it to Saluda's Registry, no later than the close of business on the dividend record date. Holders of CDIs trading on the ASX will receive an equivalent amount in Australian currency based on the exchange rate on the record date.

12.12 LITIGATION

As at the date of this Prospectus, so far as the Directors are aware, there are no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Group is directly or indirectly concerned and which are likely to have a material adverse impact on the business or financial position of the Group.

12.13 VOLUNTARY ESCROW ARRANGEMENTS

12.13.1 Escrow arrangements

The securityholders set out in the table below (**Escrowed Holders**) will be subject to voluntary escrow arrangements in respect of some or all of the Shares or CDIs that they will hold at Listing (**Escrowed Securities**). Each Escrowed Holder below has entered into a voluntary lock-up deed in respect of their Escrowed Securities (**Escrow Deed**), which prevents them from disposing of their Escrowed Securities for the Escrow Period described below. The Escrow Deeds also extend to Warrants held by these Escrowed Holders, certain Option holders who hold Options at Listing and certain RSU holders who hold RSUs, such that those Warrants, Options and RSUs, and any Shares issued on the exercise or settlement of those Warrants, Options or RSUs during the Escrow Period, will be subject to the same restrictions applying to the Escrowed Securities (subject to certain exceptions).

ESCROWED HOLDER	NUMBER OF SECURITIES HELD IN ESCROW[1]			
	CDIs[1]	OPTIONS (EQUIVALENT NUMBER OF CDIs)	RSUs (EQUIVALENT NUMBER OF CDIs)	WARRANTS (EQUIVALENT NUMBER OF CDIs)
Action Potential Venture Capital Limited	11,561,070	0	0	10
Entities affiliated with FMR LLC	18,375,790	0	0	80
GCM Grosvenor SM SPV, LLC	3,288,330	0	0	30
Piper Heartland Healthcare Crossover Fund I, L.P.	8,703,170	0	0	0
Entities affiliated with Redmile Group, LLC	50,947,640	0	0	120
TPG LSI Rise Aftershock, L.P.	25,309,380	0	0	0
Wellington Hadley Harbor Aggregator IV, L.P.	33,746,850	0	0	0
Entities affiliated with T. Rowe Price	3,904,690	0	0	20
Directors (including the CEO)	2,923,510	1,375,650	14,647,570	0
Key Managers and other employees	216,760	588,770	7,323,780	0

Notes:

1. Excludes any CDIs that may be acquired under the Offer and the U.S. Private Placement by these Escrowed Holders as such CDIs will not be subject to voluntary escrow.
2. Assumes all Shares are held as CDIs.

The Company expects that on Listing, approximately 159 million CDIs (or 15.9 million Shares), and approximately 183 million securities in total (i.e. also including Options, RSUs and Warrants) will be subject to escrow arrangements, being approximately: 96% of all Shares and CDIs and 87% of all securities not issued under the Offer or the U.S. Private Placement, and approximately 63% of all Shares and CDIs and 61% of all securities following the Offer and the U.S. Private Placement.

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12.13.2 Escrow period

For all Escrowed Holders (other than Non-executive Directors and Key Managers), the Escrow Period will commence on Listing and end 14 days after the date on which the Company releases its financial results for the half year ending 31 December 2026 to the ASX.

For Non-executive Directors and Key Managers, the Escrow Period will commence on Listing and end 24 months thereafter.

12.13.3 Restrictions on dealing

The Escrow Deeds restrict the Escrowed Holder from, among other things, disposing of, creating a security interest over the Escrowed Securities, doing, or omitting to do, any act if the act or omission would have the effect of transferring effective ownership or control of any of the Escrowed Securities or agreeing to do any of those things. However, Escrowed Holders whose securities remain subject to escrow may still deal in any of their Escrowed Securities during the Escrow Period to the extent that the dealing is exempted under the Escrow Deeds which includes to the extent that the dealing is:

- as a result of a bona fide offer made by a third party in respect of the CDIs and Shares, provided that the Escrowed Securities are returned to lock-up in accordance if the transaction does not take effect;
- as a result of a merger or a similar transaction involving the sale or offer to purchase the Company to a third party or group of third parties, provided that the Escrowed Securities are returned to the lock-up if the merger or similar transaction does not take effect;
- a transfer to a related person or affiliate (provided that any such transferee agrees to similar restrictions);
- required by applicable law, including an order of a court of competent jurisdiction;
- as a result of the death of the Escrowed Holder or controller by will or intestate succession; or
- taken with the prior written consent of the Board (or its delegate), such consent not to be unreasonably withheld or delayed, following a representation to the Board (or its delegate) by the Escrowed Holder which demonstrates to the Board (or its delegate) that the action is necessary to alleviate financial hardship.

In addition, in respect of Warrants, Options and RSUs, an Escrowed Holder may still dispose of, transfer or surrender to the Company during the Escrow Period a number of their Escrowed Securities to effect a “net” or “cashless” transaction to fund the payment of any applicable exercise price and/or any tax obligation (including any withholding or remittance payments due as a result of the vesting, settlement or exercise). Non-executive Directors and Key Managers may also, with the consent of the Board or its delegate and subject to compliance with the Company’s insider trading compliance policy, dispose of such number of Escrowed Securities during the Escrow Period necessary to satisfy any exercise price payment and/or tax obligation arising upon the vesting, settlement or exercise of any Options, Restricted Stock Units, Warrants forming part of the Escrowed Securities.

If the Company and the Underwriter release some of the Escrowed Securities from the escrow before the end of the Escrow Period, all Escrowed Holders are released from the escrow arrangements for a corresponding percentage of their Escrowed Securities, subject to certain exceptions.

12.14 RESALE RESTRICTIONS, U.S. SECURITIES ACT AND REGULATION S

12.14.1 Introduction

The Offer is being made available to non-U.S. investors in reliance on the exemption from registration contained in Regulation S (relating to offshore offerings) of the U.S. Securities Act. Accordingly, the CDIs to be issued under the Offer have not been registered under the U.S. Securities Act or under any state securities laws.

The CDIs issued under the offer will be ‘restricted securities’ under Rule 144 of the U.S. Securities Act. This means that you will not be permitted to sell the CDIs issued to you under the Offer into the United States or to a U.S. person for a period of at least 12 months from the Allotment Date, unless the resale of the CDIs is registered under the U.S. Securities Act or an exemption is available. Accordingly, the market for CDIs is likely to be limited to the ASX, and if the market outside of the U.S. does not develop or is illiquid, purchasers of CDIs will be unable to sell the CDIs into the market within the U.S.

Saluda has requested that all CDIs issued under the Offer bear a designation on the ASX to enforce these restrictions. This designation is intended to automatically prevent any CDIs from being sold on the ASX to U.S. Persons. However, you will still be able to freely transfer your CDIs on the ASX to any person other than a U.S. Person. The Company cannot provide any assurances as to when this designation will be lifted from the CDIs.

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12.14.2 Regulation S and no action letter

An offer or sale of securities made in accordance with Regulation S will not be subject to the registration requirements under the U.S. Securities Act. The requirements of Regulation S, as modified by the 7 January 2000 No Action Letter (the **No Action Letter**) issued by the SEC to provide technical relief from CHESS compliance, are as follows:

- Offshore transaction: No offers or sales of securities may be made to a person in the United States or to U.S. Persons;
- No directed selling efforts: Saluda or the Joint Lead Managers must not engage in activities such as publishing or advertising in the U.S. which could have the effect of conditioning the market for the CDIs or the underlying Shares;
- Offering restrictions: The Joint Lead Managers must agree in writing to a range of restrictions to ensure compliance with Regulation S and offering materials and documents used in connection with the offering must contain certain disclosures;
- Distribution compliance period: Offers and sales may not be made to U.S. Persons or for the account or benefit of U.S. Persons for one year after the Offer; and
- Compliance with No Action Letter: Saluda and brokers must comply with obligations imposed under the No Action Letter, including:
  - restricting the ability for brokers to execute a transaction involving U.S. Persons;
  - including restrictive legends on any certificated Shares issued to Shareholders;
  - identify the Shares and CDIs as restricted securities;
  - sending confirmations to purchasers of Shares that their Shares are subject to Regulation S; and
  - restricting the ability to transfer Shares that are not in compliance with Regulation S.

12.14.3 Applicant representations regarding non-U.S. status

As required by Regulation S and the No Action Letter, each non-U.S. Applicant will be deemed to have represented and agreed as follows:

- The Applicant is not a U.S. Person and is not acting for the account or benefit of a U.S. Person.
- The Applicant understands and agrees that, if in the future it decides to resell, pledge or otherwise transfer any CDIs (or underlying Shares), it will do so only:
  - outside the U.S. in an offshore transaction in compliance with Rule 903 or Rule 904 under the U.S. Securities Act;
  - pursuant to an effective registration statement under the U.S. Securities Act; or
  - pursuant to an available exemption from the registration requirements of the U.S. Securities Act, and in each case in accordance with all applicable securities laws.
- The Applicant agrees not to engage in hedging transactions with regard to CDIs (or underlying Shares) unless in compliance with the U.S. Securities Act.
- The Applicant acknowledges that Saluda, the Joint Lead Managers and others will rely upon the truth and accuracy of these acknowledgments, representations and agreements, and agree that if any such acknowledgments, representations or warranties deemed to have been made by virtue of its purchase of CDIs are no longer accurate, it must promptly notify Saluda and the Joint Lead Managers.

12.14.4 Purchaser representations of CDIs in the secondary market

The No Action Letter requires that purchasers of CDIs in the secondary market make similar certifications and agreements to the ones that Applicants make in the Offer regarding their status as non-U.S. Persons.

12.14.5 On-market transfers of CDIs in the secondary market

During the Distribution Compliance Period, CDIs may be reoffered and resold in standard (regular) brokered transactions on the ASX in an offshore transaction and without directed selling efforts in the United States where neither the seller nor any person acting on its behalf knows, or has reason to know, that the sale has been prearranged with, or that the purchaser is, a person in the United States or is, or is acting for the account or benefit of, a U.S. Person in accordance with Regulation S. These secondary sales are available only for resales by persons other than the issuer, any distributor, any of their respective affiliates, or any person acting on their behalf during the Distribution Compliance Period. Such reoffers and resales must also otherwise be conducted in compliance with the applicable Offer and secondary market procedures described below.

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12.14.6 Requirements of the ASX and CUSIP Global Services

The No Action Letter requires that the ASX and entities like CUSIP Global Services take certain actions in order to comply with the provisions of the No Action Letter:

- Whether in the Offer or in secondary trading, neither the Joint Lead Managers nor any other ASX Participants may execute a transaction on the ASX in Regulation S securities if that broker knows that the purchaser is a U.S. Person or is acting for the account or benefit of a U.S. Person.
- In connection with any purchase of CDIs, whether in the Offer or in secondary trading, the Joint Lead Managers and any other ASX Participants must make all reasonable efforts to ascertain whether a purchaser is a U.S. Person or is acting for the account or benefit of a U.S. Person, and implement measures designed to assure reasonable compliance with this requirement.
- The confirmation sent to each Applicant in the Offer and each purchaser of CDIs in the secondary market trading will include a notice that the CDIs are subject to the restrictions of Regulation S; and
- Any information provided by the Joint Lead Managers to publishers of publicly available databases, such as Bloomberg and Reuters, about the terms of the issuance of the CDIs must include a statement that the CDIs have not been registered under the U.S. Securities Act and are subject to restrictions under Regulation S.

12.14.7 Requirements of the Joint Lead Managers and ASX Participating Organisations

The No Action Letter requires that the Joint Lead Managers and ASX Participating Organisations (brokers that are members of the ASX) must take certain actions in order to comply with applicable laws in connection with the Offer, a summary of which is set out below:

- whether in the Offer or in secondary trading, ASX Participating Organisations must not execute a transaction on the ASX in Regulation S securities if that broker knows that the purchaser is a U.S. person or is acting for the account or benefit of a U.S. Person;
- in connection with any purchase of CDIs, whether in the Offer or any secondary trading, ASX Participating Organisations must make reasonable efforts to ascertain whether a purchaser is a U.S. Person or is acting for the account or benefit of a U.S. Person, and implement measures designed to assure reasonable compliance with these requirements;
- the confirmation sent to each purchaser of CDIs either in the Offer or in any secondary market trading must include a notice that the CDIs are subject to the restrictions of Regulation S; and
- any information provided by the Joint Lead Managers to publishers of publicly available databases, such as Bloomberg and Reuters, about the terms of the issuance of the CDIs must include a statement that the CDIs have not been registered under the U.S. Securities Act and are subject to restrictions under Regulation S.

12.14.8 Requirements of Saluda

Saluda is also required to take the following actions:

- Saluda undertakes to provide notification of the Regulation S status of its CDIs in Shareholders communications such as annual reports, periodic interim reports, and notices of Shareholders meetings.
- During the distribution compliance period, Saluda undertakes that any information provided by Saluda to publishers of publicly available databases, such as Bloomberg and Reuters, about the terms of the issuance of the CDIs must include a statement that the CDIs have not been registered under the U.S. Securities Act and is subject to restrictions under Regulation S.
- No securities subject to the restrictive legend required by Regulation S may be transferred by Saluda's transfer agent without a favourable opinion of counsel or other assurance that the transfer complies fully with the U.S. Securities Act.

The Bylaws provide that Saluda will refuse to register any transfer of CDIs (or the underlying Shares) that would result in a contravention of or failure of any applicable law. This would include any transfer not made:

- in accordance with the provisions of Regulation S (Rule 901 through Rule 905, and preliminary notes);
- pursuant to registration under the U.S. Securities Act; or
- pursuant to an available exemption from registration.

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12.14.9 Legending requirements

Shares held in book-entry or certificated form, including those held by CDN, the depositary nominee, into which CDIs have been converted prior to the end of the restriction period must bear certain restrictive legends required under Regulation S and certain other pertinent provisions of the U.S. Securities Act and the regulations promulgated under the U.S. Securities Act. No Shares bearing the required restrictive legend may be transferred by the Registry or other transfer agent without a favourable opinion or counsel or the assurance that the transfer complies fully with the U.S. Securities Act.

12.14.10 Possible Extension of Distribution Compliance Period

Due to the nature of the ASX trading system, the restricted stock identifier and associated transfer restrictions will remain on the CDIs during the Distribution Compliance Period, which is expected to last until one year after the Settlement Date. The CDIs will no longer bear such restricted stock identifier and associated transfer restrictions after the Distribution Compliance Period ends, subject to approval by the ASX and delivery of certain opinions, and unless requested by Saluda. Saluda can provide no assurance that the restricted stock identifier will be removed following completion of the Distribution Compliance Period. If that is the case, the restrictions imposed during the Distribution Compliance Period will continue indefinitely.

In addition, the Distribution Compliance Period may restart if, among other reasons, Saluda determines to issue additional CDIs, or following the Offer an affiliate of Saluda sells CDIs pursuant to Regulation S. If this were to occur, the Distribution Compliance Period would restart as at the date of such offer and sale of CDIs. Any such extension or continuation of the Distribution Compliance Period could have an adverse effect on your ability to resell the CDIs or the liquidity of, or trading price for, the CDIs on the ASX.

12.14.11 U.S. periodic reporting requirements

Under applicable federal securities laws in the U.S., even if Saluda's securities are not traded on a U.S. securities exchange, Saluda may be required to:

- file a Form 10 with the SEC; and
- become subject to regulation under the U.S. Exchange Act, including filing annual, quarterly, and current reports on Forms 10-K, 10-Q and 8-K, respectively.

Saluda will be required to do so when it meets the thresholds of having (i) total assets of more than US$10 million at financial year-end and (ii) a class of equity securities (other than an exempted security) held of record by either 2,000 or more persons, or 500 or more persons who are not 'accredited investors' as defined in Rule 501(a) of Regulation D under the U.S. Securities Act. Although the first threshold will be satisfied immediately following the Offer, Saluda can give no assurance as to the time the second threshold will be satisfied, and therefore the time that it will be subject to the U.S. periodic reporting requirements set out above. Further, any ongoing U.S. reporting requirements may be subject to legislative change from time to time.

Saluda's U.S. periodic reporting requirements will be in addition to its periodic disclosure requirements under the Listing Rules, unless appropriate waivers can be obtained from the ASX.

12.15 RELATED PARTY INTERESTS

12.15.1 Current and proposed transactions

Other than as set out elsewhere in this Prospectus (including the remuneration arrangements with the Directors described in Section 7.4), there are no existing agreements or arrangements and there are no currently proposed transactions in which the Company was, or is to be, a participant, and in which any related party had or will have a direct or indirect material interest.

12.15.2 Policy for approval of related party transactions

From Listing, the Audit and Risk Committee is responsible for reviewing and approving all transactions in which the Company is a participant and in which parties related to Saluda, including its executive officers, Directors and certain other persons who the Board determines may be considered related parties of Saluda, have or will have a material direct or indirect interest. The Company's Related Person Transactions Policy sets out the procedures for the identification, review, consideration, and approval or ratification of transactions involving Saluda and any "Related Person" (as that term is defined in the Related Person Transactions Policy) by the Audit and Risk Committee or by such other independent committee of the Board of Directors as may be designated by the Board of Directors.

Certain transactions with related parties will also be subject to Shareholder approval under the Listing Rules.

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12.16 OFFER EXPENSES

The total estimated costs to the Company in connection with the Offer are as set out below:

ITEM	ESTIMATED COST (INCLUDING GST WHERE APPLICABLE) IN A$
ASIC and ASX fees	557,217
Joint Lead Manager and underwriting fees	11,538,462
Legal fees	1,646,154
Investigating Accountant and tax fees	457,073
IP counsel fees	30,280
Design, printing, Registry and other Offer expenses	70,814
TOTAL	**14,300,000**

12.17 CONSENTS

Each of the following parties has given and has not, before the issue of this Prospectus, withdrawn its written consent to being named in this Prospectus and to the inclusion, in the form and context in which it is included, of any information described below as being included with its consent.

Each of the parties referred to in the table below has not authorised or caused the issue of this Prospectus and, to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than the reference to such party's name and any statement or report included in this Prospectus with the consent of that party as described below.

NAME OF ENTITY	NAMED AS	REPORTS OR STATEMENTS
Bell Potter Securities Limited	Joint Lead Manager, Sole Bookrunner and Underwriter	
Morgans Corporate Limited	Joint Lead Manager	
E&P Capital Pty Ltd	Joint Lead Manager	
Commonwealth Securities Limited	Co-Manager	
Johnson Winter Slattery	Australian Legal Advisor	Summary of the Australian tax implications in Section 11.1
Latham & Watkins LLP	U.S. Legal Advisor	Summary of the U.S. tax implications in Section 11.2
Barnes & Thornburg LLP	Intellectual Property counsel	Intellectual Property Report (Section 10)
Grant Thornton Corporate Finance Pty Ltd	Australian Investigating Accountant	Investigating Accountant's Report (Section 6)
Grant Thornton Advisors LLC	The firm that undertook U.S. tax due diligence for the purposes of this Prospectus	
Grant Thornton Australia Ltd	The firm that undertook Australian tax due diligence for the purposes of this Prospectus	
Grant Thornton LLP	U.S. Auditor	
TPG Capital BD, LLC	Independent financial advisor	
Computershare Investor Services Pty Limited	CDI Registry	
Computershare Trust Company, N.A.	Share Registry	

12. Additional information continued

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The Company has included statements in this Prospectus made by, attributed to or based on statements made by various parties, including the International Association for the Study of Pain, the National Center for Health Statistics, the U.S. Joint Economic Committee and *SmartTRAK*. The Company has also included statements in this Prospectus made by, attributed to or based on statements made in the following articles and publications:

- Gaskin DJ, Richard P, The Economic Costs of Pain in the United States. The Journal of Pain. 2012. 13(8):715-724.
- Dykhouse et al. Trends in spinal implant utilization and pricing. J Craniovertebr Junction Spine. 2024 Oct-Dec.15(4):404-410.
- Orhurhu VJ, Chu R, G Jatinder. Failed Back Surgery Syndrome. Treasure Island (FL): StatPearls Publishing. 2025 Jan.
- Jang HN, Oh TJ. Pharmacological and Nonpharmacological Treatments for Painful Diabetic Peripheral Neuropathy. Diabetes & Metabolism Journal 2023. 47(6):743-756.
- Mekhail et al. Durability of Clinical and Quality-of-Life Outcomes of Closed-Loop Spinal Cord Stimulation for Chronic Back and Leg Pain: A Secondary Analysis of the Evoke Randomized Clinical Trial. JAMA Neurol. 2022. 79(3):251–260.
- Pope et al. Multicenter Retrospective Study of Neurostimulation with Exit of Therapy by Explant. Neuromodulation. 2017 Aug. 20(6):543-552.
- Wang et al. Explantation Rates of High Frequency Spinal Cord Stimulation in Two Outpatient Clinics. Neuromodulation. 24(3): 507-511.
- Amirdelfan K, Antony A, Levy R, et al. Patient Burdens Associated with Spinal Cord Stimulation: Impact of Wait Times to Address Device-Related Issues in a Real-World Cohort with Chronic Back and Leg Pain. WIP abstract P-136. Pain Pract.2022; 22: 25-27.
- Kapural et al. Novel 10-kHz High-frequency Therapy (HF10 Therapy) Is Superior to Traditional Low-frequency Spinal Cord Stimulation for the Treatment of Chronic Back and Leg Pain: The SENZA-RCT Randomized Controlled Trial. Anesthesiology. 2015 Oct.123(4):851-60.
- SmartTRAK US Spinal Cord Market Forecast.
- SmartTRAK Q424/FY24 Neuromodulation Recap.
- SmartTRAK Potential US SCS Market by Pain.
- Hussaini et al. Specialty-Based Variations in Spinal Cord Stimulation Success Rates for Treatment of Chronic Pain. Neuromodulation. 2017.
- Mekhail, NagyBrounstein, Dan et al., Long-term safety and efficacy of closed-loop spinal cord stimulation to treat chronic back and leg pain (Evoke): a double-blind, randomised, controlled trial, The Lancet Neurology, Volume 19, Issue 2, 123-134.
- Kapural L, Mekhail NA, Costandi S, et al; Durable multimodal and holistic response for physiologic closed-loop spinal cord stimulation supported by objective evidence from the EVOKE double-blind randomized controlled trial, Regional Anesthesia & Pain Medicine 2024;49:233-240.
- Mekhail NA, Levy RM, Deer TR, et al, ECAP-controlled closed-loop versus open-loop SCS for the treatment of chronic pain: 36-month results of the EVOKE blinded randomized clinical trial, Regional Anesthesia & Pain Medicine 2024;49:346-354.
- Mekhail NA, Levy RM, Deer TR, et al. Neurophysiological outcomes that sustained clinically significant improvements over 3 years of physiologic ECAP-controlled closed-loop spinal cord stimulation for the treatment of chronic pain, Regional Anesthesia & Pain Medicine 2024,0:1-8.
- Duarte, Rui V. PhD et al. Cost-utility Analysis of Evoke Closed-loop Spinal Cord Stimulation for Chronic Back and Leg Pain. The Clinical Journal of Pain 39(10):p 551-559, October 2023.
- Robert M. Levy et al. Maximal Analgesic Effect Attained by the Use of Objective Neurophysiological Measurements With Closed-Loop Spinal Cord Stimulation, Neuromodulation: Technology at the Neural Interface, Volume 27, Issue 8, 2024, p:1393-1405.
- Muller L, Pope J, Verrills P, et al First evidence of a biomarker-based dose-response relationship in chronic pain using physiological closed-loop spinal cord stimulation Regional Anesthesia & Pain Medicine 2025; 50: 345-351.
- Sayed D, Lam C, Zub D. Minimizing Patient Burden using ECAP Dose-Controlled Closed-Loop Spinal Cord Stimulation. Poster presented at the ASPN 2024 Annual Conference, Miami, FL.
- Marc et al. Effective Relief of Pain and Associated Symptoms With Closed-Loop Spinal Cord Stimulation System: Preliminary Results of the Avalon Study Russo. Neuromodulation, Volume 21, Issue 1, 38-47.

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- Pope JE, Antony A, Petersen EA, Rosen SM, Sayed D, Hunter CW, Goree JH, Vu CM, Bhandal HS, Shumsky PM, Bromberg TA, Smith GL, Lam CM, Kalia H, Lee JM, Khurram A, Gould I, Karantonis DM, Deer TR. Identifying SCS Trial Responders Immediately After Postoperative Programming with ECAP Dose-Controlled Closed-Loop Therapy. Pain Ther. 2024 Oct; 13(5):1173-1185.
- Schultz DM, Webster L, Kosek P, Dar U, Tan Y, Sun M. Sensor-driven position-adaptive spinal cord stimulation for chronic pain. Pain Physician. 2012 Jan-Feb;15(1):1-12. PMID: 22270733.
- Antony A et al. Novel Automated Platform to Upgrade SCS Programming Experience from Subjective to Objective – Results from a Prospective, Dose Controlled Closed-loop Clinical Study. Poster presented at the 2025 North American Neuromodulation Society Conference (NANS 2025), Orlando, FL.

The inclusion of statements made by, attributed to or based on statements made by these parties has not been consented to by the relevant party for the purpose of section 729 of the Corporations Act and are included in this Prospectus by the Company on the basis of ASIC Corporations (Consent to Statements) Instrument 2016/72 relief from the Corporations Act for statements used from books, journals or comparable publications.

12.18 ASIC RELIEF

Saluda has received a declaration from ASIC under subsection 741(1)(b) of the Corporations Act to modify subsections 707(3) and 707(4) so that a modified form of subsection 707(3) applies to sale offers, within 12 months of issue, of CDIs issued:

- to holders of certain Warrants issued before Listing on the exercise of those Warrants; and
- to accredited investors in the U.S. as part of the U.S. Private Placement.

The effect of the declaration is that sale offers of such CDIs within 12 months after their issue would not need disclosure under Chapter 6D of the Corporations Act.

Saluda has also applied for relief from ASIC in respect of section 601CK of the Corporations Act in relation to the obligations for the Company to prepare its financial statements in the way required for Australian-incorporated public companies, in addition to preparing its financial statements under U.S. GAAP.

12.19 ASX WAIVERS AND CONFIRMATIONS

Saluda has received 'in principle' advice from ASX that the restrictions in Appendix 9B will not apply to Saluda as it has an acceptable track record of revenue.

Saluda has also sought the following waivers and confirmations from ASX:

- a waiver from Listing Rules 6.16, 6.19, 6.21 and 6.22 to the extent necessary to permit Saluda to have Warrants on issue which do not comply with those Listing Rules;
- a waiver from Listing Rule 1.1 Condition 12 to the extent necessary to permit Saluda to have RSUs with an exercise price of less than $0.20;
- a waiver from Listing Rule 10.18 to the extent necessary to permit Saluda to provide certain termination benefits to certain existing employees on a change of control pursuant to the terms of the Company's contract with those employees, as further described in Sections 7.4.2 to 7.4.4;
- a waiver from Listing Rule 14.2.1 to the extent necessary to permit Saluda not to provide in the proxy form for meetings, an option for CDI Holders to vote against a resolution to elect a Director or to ratify the appointment of an auditor;
- a waiver from Listing Rule 14.4 to the extent necessary to permit Saluda to comply with the statutory requirements imposed under Delaware law and the Bylaws with respect to the appointment of a Director to fill a casual vacancy on the Board or as an additional Director;
- a confirmation that the terms of the RSUs are appropriate and equitable pursuant to Listing Rule 6.1 and ASX Guidance Note 19;
- a confirmation that Saluda may, for the purposes of Listing Rule 14.3, accept nominations for the election of Directors in accordance with the timetable set out in the Bylaws and the General Corporation Law of the State of Delaware; and
- a confirmation, for the purposes of Listing Rule 19.11A, that Saluda may prepare its financial accounts in accordance with U.S. GAAP and only in U.S. dollars, and may have its financial accounts reviewed and audited in accordance with U.S. GAAS.

12. Additional information continued

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12.20 ELECTRONIC PROSPECTUS

The use of electronic disclosure documents is permitted under Chapter 6D of the Corporations Act. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Registry and the Registry will send to you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

Saluda reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

12.21 GOVERNING LAW

This Prospectus and the contracts that arise from the acceptance of the Applications are governed by the laws applicable in New South Wales, Australia and each Applicant submits to the exclusive jurisdiction of the courts of New South Wales, Australia.

12.22 STATEMENT OF DIRECTORS

The Directors report that after due inquiries by them, in their opinion, since the date of the financial statements in the financial information in Section 5, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of Saluda, other than as disclosed in this Prospectus.

Each Director has authorised and consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent before its lodgement with ASIC.

This Prospectus is signed for and on behalf of the Company by:



Douglas Godshall
Date: 7 November 2025

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13. Summary of significant accounting policies

13. Summary of significant accounting policies

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The principal accounting policies adopted in the preparation of the Financial Information set out in Section 5 of this Prospectus are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

BASIS OF PREPARATION

The Company prepares its consolidated financial statements and related disclosures in conformity with generally accepted accounting principles in the United States (**U.S. GAAP**).

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and judgments that affect the amounts of assets, liabilities, and expenses, and related disclosure of contingent assets and liabilities reported in the consolidated financial statements and accompanying notes. Significant accounting estimates and management judgments reflected in the consolidated financial statements include, but are not limited to, revenue recognition and the allocation of the transaction price, stock-based compensation and the valuation of the stock-based awards, valuation of warrants, valuation of Convertible Notes, inventory valuation, measurement of right-of-use assets and operating lease liabilities, and income taxes. Actual results could differ from those estimates, and such differences could be material to the Company's consolidated financial statements.

FOREIGN CURRENCY TRANSLATION

The financial statements of the Company's subsidiaries that have a functional currency other than the U.S. dollar are translated to U.S. dollars at the exchange rate in effect at the balance sheet dates, and revenues and expenses are translated at the average exchange rates during the year. Translation adjustments are recorded as foreign currency translation adjustment within accumulated other comprehensive loss, which is a separate component of stockholders' equity, and the effect of exchange rate changes on cash and cash equivalents are reflected on the consolidated statements of cash flows. Gains and losses for transactions denominated in a currency other than the functional currency of the entity are included in the consolidated statements of operations and comprehensive loss. The Company expects the foreign currency gain (loss) to continue to fluctuate as long as the Company continues to hold monetary assets and liabilities at its subsidiaries. Market uncertainty could potentially lead to significant volatility with foreign currency exchange rates, which could result in additional foreign currency gain (loss).

FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets and liabilities recorded at fair value in the financial statements are categorised based upon the level of judgment associated with the inputs used to measure their fair value. The fair value of the Company's financial assets and liabilities reflects management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximise the use of observable inputs (market data obtained from independent sources) and to minimise the use of unobservable inputs (internal assumptions about how market participants would price assets and liabilities).

Hierarchical levels which are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

- **Level 1** – Unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.
- **Level 2** – Inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- **Level 3** – Unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

This hierarchy requires the Company to use observable market data, when available, and to minimise the use of unobservable inputs when determining fair value. Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to their fair value measurement. The Company's assessment of the significance of a specific input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

The carrying amounts of cash and cash equivalents, including money market funds and term deposits, prepaid expenses and other current assets, and accounts payable and accrued liabilities approximate their fair value due to their short maturities.

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CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, money market funds, term deposits, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity. Costs of ordinarily interchangeable items are valued at standard cost, which is evaluated at each reporting date to reflect current conditions so that standard costs approximate actual cost computed on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less any applicable expenses.

The Company periodically evaluates the carrying value of inventory on hand for potential excess amount over demand using the same lower of cost or net realisable value approach. Additionally, the Company distinguishes between current and non-current inventory based on the anticipated time frame until sale. Materials procured significantly in advance, resulting in inventory on hand for periods exceeding 12 months, are managed as part of a strategic approach to ensure availability and cost-effectiveness. Such non-current inventory is not indicative of obsolescence but reflects the Company's procurement strategy to secure essential materials. The Company also periodically evaluates inventory quantities in consideration of actual loss experience. The Company's policy is to write down inventory that has become obsolete, inventory that has a cost basis in excess of its expected net realisable value, and inventory in excess of expected requirements. The estimate of excess quantities is judgmental and primarily dependent on the Company's estimates of future demand for a particular product. If the estimate of future demand is inaccurate based on actual sales, the Company may increase the write-down for excess inventory for that component and record a charge to the cost of goods sold in the accompanying consolidated statements of operations and comprehensive loss.

ACCOUNTS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES

Accounts receivable are recorded at invoiced amounts, net of an allowance for credit losses. The Company assesses the allowance for credit losses on accounts receivable in accordance with ASC 326, which requires an expected loss model. The allowance for credit losses is estimated based on a range of factors, including historical credit loss experience, customer financial condition, current economic conditions, and reasonable and supportable forecasts of future economic conditions.

CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Company to significant concentrations of credit risk primarily consist of cash and cash equivalents, and accounts receivables. The Company's cash and cash equivalents held with large financial institutions in the United States and deposits exceed the Federal Deposit Insurance Corporation's insurance limit. Risks associated with cash and cash equivalents are mitigated by banking with creditworthy institutions. The Company has not experienced any losses, but the Company cannot be assured that it will not experience losses on these deposits.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation. Depreciation is included in cost of revenue and operating expenses on the accompanying consolidated statements of operations and comprehensive loss. Depreciation is calculated using the straight-line method over the estimated economic useful life of the respective asset, which is determined on an asset-by-asset basis according to the classifications below:

	USEFUL LIFE
Office Equipment	3 – 12 Years
Leasehold Improvements	Shorter of 3 – 9 Years or remaining lease term
Manufacturing Equipment	3 – 8 Years
Laboratory Equipment	2 – 12 Years

Property and equipment are derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the net carrying amount and the disposal proceeds are reflected in operating expenses in the consolidated statements of operations and comprehensive loss.

13. Summary of significant accounting policies continued

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IMPAIRMENT OF LONG-LIVED ASSETS

Long-lived assets consist primarily of property and equipment. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require that a long-lived asset be tested for possible impairment, recoverability is measured by comparing the carrying amount to the future net undiscounted cash flows expected to be generated by the long-lived asset (or group of assets). If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds its fair value.

LEASES

The Company determines if an arrangement is a lease at inception and determines the classification of the lease, as either operating or finance, at commencement. Material leases with a term greater than one year are recognised in right-of-use (**ROU**) assets and current and non-current lease liabilities, as applicable, in the Company's consolidated balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognised at commencement date based on the present value of lease payments over the lease term. As the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company estimates the incremental borrowing rate to reflect the profile of secured borrowing over the expected term of the leases based on the information available at the lease commencement date.

The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognised on a straight-line basis over the lease term.

The Company has elected the practical expedient to not separate lease and non-lease components. The Company's non-lease components are primarily related to common area maintenance and real estate taxes, which varies based on future outcomes, and thus is recognised in selling, general and administrative expenses when incurred. The Company's lease agreements do not contain any material restrictions, covenants, or any material residual value guarantees.

TERM LOAN DEBT

The Company's term loans are carried at the principal amount borrowed less debt issuance costs. The costs incurred by the Company for issuing the term loans are capitalised and amortised as an increase to interest expense over the life of the term loans using the effective interest method.

INCOME TAXES

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the temporary differences between the financial statement and tax basis of assets and liabilities using the enacted tax rates in effect for the years in which the differences are expected to reverse. The effect on deferred taxes of a change in income tax rates is recognised in the consolidated statements of operations and comprehensive loss in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts the Company believes are more likely than not to be realised.

The Company operates in various tax jurisdictions and is subject to audit by various tax authorities. To date, taxes paid have been predominantly due to income taxes in foreign and state jurisdictions in which the Company conducts business. The Company provides for tax contingencies whenever it is deemed probable that a tax asset has been impaired, or a tax liability has been incurred for events such as tax claims or changes in tax laws. Tax contingencies are based upon their technical merits, relative tax law, and the specific facts and circumstances as of each reporting period. Changes in facts and circumstances could result in material changes to the amounts recorded for such tax contingencies.

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WARRANT LIABILITIES

The Company has issued warrants to purchase redeemable convertible preferred stock in conjunction with certain equity and debt financings. The Company accounts for its issued warrants as liabilities in accordance with ASC 480. The liability-classified warrants are initially measured at fair value, resulting in an implied discount on the related financing arrangement (recognised as a partial offset to the principal balance of the financing). Changes in fair value of the warrant liabilities are recognised within change in fair value of financial instruments in the consolidated statements of operations and comprehensive loss.

REVENUE RECOGNITION

Revenue arises from the sale of medical devices. The Company determines revenue recognition through the following steps:

- Identify the contract with a customer;
- Identify the performance obligation(s);
- Determine the transaction price;
- Allocate the transaction price to the performance obligation(s); and
- Recognise revenue when/as performance obligation(s) are satisfied.

SALES OF MEDICAL DEVICES

Revenue from the sale of medical devices is recognised when obligations under the terms of contracts with customers are satisfied, which occurs when the Company transfers control of products to its customers. Revenue is measured as the amount of consideration expected to be received in exchange for transferring the products. Payment terms are typically 30 to 90 days.

For most sales, where a sales representative of the Company delivers product at the point of the implantation procedure at hospitals or medical facilities, revenue is recognised upon authorization from the customer which occurs upon completion of the procedure, including any necessary programming performed by a sales representative of the Company, which represents the point in time when control of the product transfers to the customers.

For the remaining sales, products are shipped directly from the Company's distribution centers to hospitals, medical facilities, and distributors who order in advance of a procedure. In these instances, the transfer of control of the products depends on whether the customer has the training and resources available to be capable of programming the products. In instances where the customer is capable of programming the products, the transfer of control of the products and recognition of revenue occurs at the time of shipment. In instances where the customer is not capable of programming the products, the transfer of control of the products and recognition of revenue occurs upon completion of the procedure, including any necessary programming performed by a sales representative of the Company. Customers that receive products in advance of a procedure are obligated to pay within specified terms regardless of when, or if, they ever sell or use the products. The Company does not offer rights of return or price protection.

Revenue is measured as the amount of consideration the Company expects to receive, adjusted for any applicable estimates of variable consideration and other factors affecting the transaction price, which is based on the invoiced price, in exchange for transferring products. Variable consideration related to certain customer sales incentives is estimated based on the amounts expected to be paid based on the agreement with the customer using probability assessments. Amounts recorded as revenue are net of sales returns, trade discounts and the amount of taxes.

The Company allocates the transaction price to each performance obligation based on a relative standalone selling price (**SSP**). SSP for the sale of medical devices is based off the list price of the spinal cord stimulation system.

Practical Expedients and Exemptions – The Company recognises revenue upon the transfer of control of the product and there are no material future performance obligations beyond such transfer. As a result, the Company has elected not to disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which it recognises revenue at the amount to which it has the right to invoice for services performed. The Company has elected to account for shipping and handling activities that occur after the customer has obtained control as a fulfillment activity, and not a separate performance obligation. Such shipping and handling costs are expensed as incurred and are included in cost of revenue. The Company does not capitalise incremental costs to obtain a contract when the amortisation period of the asset is one year or less.

13. Summary of significant accounting policies continued

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COST OF REVENUE

Cost of revenue consists primarily of acquisition costs for the components of the spinal cord stimulation systems, overhead costs, scrap and inventory obsolescence, warranty replacement costs, as well as distribution related expenses such as logistics and shipping costs, net of shipping costs charged to customers. The overhead costs include the cost of material procurement, depreciation expense for production equipment, and operations supervision and management personnel, including employee compensation, supplies, and travel.

RESEARCH AND DEVELOPMENT

Research and development expenses, including new product development, regulatory compliance, and clinical research, are recognised as operating expenses in the consolidated statements of operations and comprehensive loss. Research and development costs are expensed as incurred. Such costs include personnel-related costs, including stock-based compensation, supplies, services, depreciation expense for lab equipment, information services, clinical trial and related clinical manufacturing expenses, fees paid to investigative sites, and other indirect costs.

SELLING, GENERAL AND ADMINISTRATIVE

Selling, general and administrative expenses include personnel-related costs, including stock-based compensation, facility costs, bad debt costs, professional service fees, software license fees, advertising costs, patent related costs, travel costs and other general overhead costs, including depreciation expense for office and manufacturing equipment and leasehold improvements, which support the Company's operations.

STOCK-BASED COMPENSATION

The Company accounts for stock-based compensation in accordance with ASC 718. The Company accounts for all stock-based awards granted to employees and non-employees as stock-based compensation expense based on the grant date fair value.

Stock-based compensation is classified in the accompanying consolidated statements of operations and comprehensive loss based on the function to which the related services are provided. The Company recognises stock-based compensation expense for employees on a straight-line basis over the requisite service period. Forfeitures are accounted for as they occur.

The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option-pricing model, which requires inputs based on the following subjective assumptions:

- **Expected Term** – The expected term of stock-based awards represents the period that the stock-based awards are expected to remain outstanding. The Company has elected to use the midpoint of the stock options' vesting term and contractual expiration period to compute the expected term, as the Company does not have sufficient historical information to develop reasonable expectations about future exercise patterns and post-vesting employment termination behavior.
- **Volatility** – The Company estimates volatility for option grants by evaluating the average historical volatility of a peer group of companies for the period immediately preceding the option grant for a term that approximates the options' expected term.
- **Risk-free Rate** – The risk-free rate assumption is based on the U.S. Treasury zero coupon issues in effect at the time of grant for periods corresponding with the expected term of the option.
- **Dividends** – The Company has never paid, and does not anticipate paying, dividends on its common stock. Therefore, the Company uses an expected dividend yield of zero.

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14. Glossary

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14.1 TECHNICAL GLOSSARY

TERM	MEANING
AMA	American Medical Association
ASCs	Ambulatory Surgical Centres
Biomarker manuscript	Saluda's manuscript that analysed data from 690 patients treated with the Evoke System to characterise the biomarker-based dose-response relationship that produced a patient's maximal analgesic effect
Clarity	A smart user interface programming software designed to interact with the CLS by optimising the programming of the spinal cord's response to stimulation using real-time, objective measurements of neural activation
closed-loop	System that continuously monitors a physiological parameter in a patient, analyses the data in real time, and automatically adjusts therapy or intervention based on feedback from the monitored parameter, without requiring manual intervention from a clinician for each adjustment
CLS	Closed-loop stimulator
CL-SCS	Closed-loop spinal cord stimulation
CMM	Conventional medical management
CMS	Centres for Medicare and Medicaid Services
CPT	Current Procedural Terminology
CSF	Cerebrospinal fluid
DTM	Differential Target Multiplexed
ECAPs	Evoked compound action potentials, being the sum of responses from the activation of multiple nerves and are a direct measure of the spinal cord's response to stimulation
EU AIMD	Active Implantable Medical Devices Directive
eCLS	Evoke external closed loop stimulator
EQ-5D-5L	European Quality of Life Five-Dimensional Five-Level
EVA	Saluda's new programming platform which was commercially launched in the United States in July 2025
EVOKE study	The first and only prospective, multi-centre, parallel-arm, double-blind, randomised controlled pivotal study with a voluntary crossover arm in SCS
Evoke System	The first commercial application of Saluda's proprietary platform, being a closed-loop SCS system designed for chronic pain management, the Evoke® System
FDA	The United States Food and Drug Administration
IDE	Investigational Device Exemption
IPG	Implantable pulse generator

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TERM	MEANING
ITT	Intention-to-treat
MAE manuscript	Saluda's manuscript that analysed data from 180 patients treated with the Evoke System from three of its prior clinical studies to characterise the neural dosing regimen that produced a patient's maximal analgesic effect
MCIDs	Minimal clinically important differences
ODI	Oswestry Disability Index
OL-SCS	Open-loop spinal cord stimulation
open-loop	System that delivers therapy or performs an action based on preset parameters or programmed instructions, without using real-time feedback from the patient's physiological state to adjust its operation
PIS	Permanent implant subset
PMA	Premarket Approval Application
POMS	Profile of Mood States
PSQI	Pittsburgh Sleep Quality Index
QSR	Quality System Regulation
RECAP viewer	a software application that uses data collected from in-clinic programming sessions via Clarity and data downloaded from the CLS to record patient therapy usage at home
SCS	Spinal cord stimulation
SmartLoop	Saluda's proprietary closed-loop technology, SmartLoop™
T	Tesla, a unit of magnetic field strength
TPT	Transitional Pass-Through
µV	Microvolt
VAS	Visual Analogue Scale

14. Glossary continued

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14.2 GENERAL GLOSSARY

TERM	MEANING
2023 Plan	The Company's 2023 Incentive Award Plan
A$, $ or **Australian dollar**	The lawful currency of Australia
AIFRS	Australian equivalents to International Financial Reporting Standards
AEDT	Australian Eastern Daylight Time
Allotment Date	The date on which CDIs are allotted under the Offer, currently expected to be Monday, 1 December 2025
Applicant	A person who submits a valid Application
Application	An application to subscribe for CDIs under this Prospectus which is made on an Application Form and accompanied by the relevant Application Monies
Application Form	An application form attached to or accompanying this Prospectus (including any online Application Form)
Application Monies	The aggregate amount of money payable by an Applicant for CDIs applied for under the Offer
ARTG	The Australian Register of Therapeutic Goods
ASAE 3450	Australian Standard on Assurance Engagements ASAE 3450 'Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information'
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires
ASX Corporate Governance Principles and Recommendations	The *Corporate Governance Principles And Recommendations* of the ASX Corporate Governance Council
ASX Participating Organisations	Brokers that are members of the ASX
ASX Participant	A 'Participant' within the meaning of the ASX Settlement Operating Rules
ASX Settlement	ASX Settlement Pty Limited (ABN 49 008 504 532)
ASX Settlement Operating Rules	The operating rules of the settlement facility provided by ASX Settlement
BCT	The business continuity test introduced by the *Treasury Laws Amendment (2017 Enterprise Incentives No. 1) Act 2019*
Bell Potter	Bell Potter Securities Limited (ACN 006 390 772)
Board or **Board of Directors**	The board of Directors of Saluda

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TERM	MEANING
Broker Firm Offer	The invitation to Australian resident Retail Investors and Sophisticated Investors who have received a firm allocation from their broker to acquire CDIs under this Prospectus
Bylaws	Saluda's Bylaws described at Section 12.9
CCO	Chief Commercial Officer
CDIs or **CHESS Depository Interest**	A unit of beneficial ownership of Shares, the rights of which are summarised in Section 12.8
CDI Holder	A holder of CDIs
CDN	CHESS Depositary Nominees Pty Limited (ACN 071 346 506 and Australian Financial Services Licence Number: 254514)
CEO	Chief Executive Officer
Certificate of Incorporation	The Company's amended and restated certificate of incorporation which will be adopted with effect on the Allotment Date
CFO	Chief Financial Officer
CGT	Capital Gains Tax
Chair	The Chair of the Board
CHESS	Clearing House Electronic Subregister System
Closing Date	The date on which the Offer closes, currently expected to be 5:00pm (AEDT) on 21 November 2025
Co-Manager	CommSec
COBRA	The U.S. *Consolidated Omnibus Budget Reconciliation* Act, which gives employees and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances
CLO	Chief Legal Officer
Code	The *U.S. Internal Revenue Code* of 1986, as amended
Company or **Saluda**	Saluda Medical, Inc., a company incorporated in Delaware, United States and registered in Australia as a foreign company (ARBN 691140 360)
CommSec	Commonwealth Securities Limited (ABN 60 067 254 399)
Confidential Information	As defined in Section 4.2.23
Converted Common Stock	As defined in Section 12.3
COO	Chief Operating Officer
Corporations Act	*Corporations Act 2001* (Cth)

14. Glossary continued

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TERM	MEANING
COT	The continuity of ownership test under the *Income Tax Assessment Act 1997 (Cth)*
Covidien	Covidien Group S.a.r.l., a Luxembourg limited liability company
Covidien Term Loan	The non-convertible subordinated term loan note dated 11 March 2019 between Saluda Australia and Covidien, which loan note has now been repaid
CUSIP Global Services	The body that administers the CUSIP and CUSIP International Numbering Systems for identifying investment instruments
Delaware General Corporation Law	Chapter 1 of Title 8 of the Delaware Code, which governs corporations incorporated in the U.S. State of Delaware
Dexcom	Dexcom, Inc. (NASDAQ:DXCM)
Director	A director of Saluda
Distribution Compliance Period	The 12-month period from the date of issue of the CDIs during which the CDIs cannot be resold to any U.S. Person or for the account or benefit of a U.S. Person, unless the resale is subsequently registered under the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act is available, which period may be extended under the circumstances described in Section 12.14
Employee Option Plan	As defined in Section 7.6.2
Escrow Deed	As defined in Section 12.13.1
Escrowed Holders	As defined in Section 12.13.1
Escrow Period	As defined in Section 12.13.2
Escrowed Securities	As defined in Section 12.13.1
EU	European Union
EU GDPR	The European Union General Data Protection Regulation
Existing Holder	A person holding Shares or other securities in Saluda immediately prior to completion of the Offer
Existing Option	An Option which is on issue at the date of this Prospectus
Exposure Period	The period between the date of this Prospectus and seven days after that date, or such later date (not exceeding 14 days after the date of this Prospectus) as ASIC may require
FASB	The Financial Accounting Standards Board in the United States
FATCA	Sections 1471 to 1474 of the Code (such sections commonly referred to as the Foreign Account Tax Compliance Act)
Financial Information	As defined in Section 5
Financing Facilities	As defined in Section 5

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TERM	MEANING
FMC Act	The *Financial Markets Conduct Act 2013*
Fourth Edition	The 4th edition of the ASX Corporate Governance Principles and Recommendations released in February 2019
FY23	Financial Year ending 30 June 2023
FY24	Financial Year ending 30 June 2024
FY25	Financial Year ending 30 June 2025
FY26F	Forecast Financial Information for the financial year ending 30 June 2026
GDPR	The EU GDPR and UK GDPR
Group	Saluda and its wholly-owned subsidiaries
GST	Goods and Services Tax
Heraeus Medevio	Heraeus Medical Components LLC
Historical Period	FY23, FY24 and FY25
IFRS	International Financial Reporting Standards
Indicative Exchange Rate	A$1.00 = US$0.65, being the exchange rate relied upon when preparing this Prospectus
Industry Data	As defined in the "Important Information" section
Institutional Investor	An investor to whom offers or invitations in respect of securities can be made without the need for a lodged prospectus (or other formality, other than a formality which Saluda is willing to comply with), including: • in Australia, persons to whom offers or invitations can be made without the need for a lodged prospectus under section 708 of the Corporations Act; • in Hong Kong, "professional investors" (as defined in the SFO); • in New Zealand, to "wholesale investors" (as defined in Schedule 1 to the FMC Act); • in Singapore, "institutional investors" and "accredited investors" (as such terms are defined in the SFA); • in the United Kingdom, a person who is (i) a "qualified investor" within the meaning of Article 2(e) of the UK Prospectus Regulation; and (ii) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended; • in the European Union (excluding Austria), persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation); and • in the United States, "institutional accredited investors" (within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the U.S. Securities Act).
Institutional Offer	The invitation to certain Institutional Investors in Australia, New Zealand, the United Kingdom, Singapore, Hong Kong and the European Union (excluding Austria) to acquire CDIs under this Prospectus and the United States under the U.S. Offering Circular

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TERM	MEANING
Intellectual Property Report	The report set out in Section 10
Integer	Integer Holdings Corporation (formerly Greatbatch Ltd.)
Investigating Accountant	Grant Thornton Corporate Finance Pty Ltd
Investors' Rights Agreement	The amended and restated investors' rights agreement between the Company and certain of its Shareholders
IRS	The U.S. Internal Revenue Service
Joint Lead Managers	Bell Potter, Morgans Corporate Limited and E&P Capital Pty Ltd
Key Managers	The CEO and senior management team of Saluda
Listing	Acceptance on the Official List
Listing Rules	The official listing rules of the ASX, as amended from time to time
NASDAQ	The Nasdaq stock exchange
New CDIs	CDIs offered for subscription by the Company over newly issued Shares under the Prospectus
NLAT	Net loss after tax
NOL	Net operating loss
No Action Letter	The 7 January 2000 No Action Letter issued by the SEC to provide technical relief from CHESS compliance
Non-executive Director	A Director who is not a Key Manager
Non-U.S. Holders	As defined in Section 11.2
Offer	The Broker Firm Offer and the Institutional Offer
Offer Documents	As defined in Section 9.6.2
Offer Period	The period from the Opening Date to the Closing Date (inclusive)
Offer Price	A$2.65 per CDI, being the amount payable in respect of each CDI under this Prospectus
Official List	The official list of entities that the ASX has admitted and not removed from listing on the ASX
Official Quotation	The official quotation of the CDIs by the ASX
Opening Date	The date on which the Offer opens, currently expected to be 9:00am (AEDT) on Monday, 17 November 2025
Option	An option to acquire Shares (in this Prospectus, references to a particular number of Options are references to Options to acquire that number of Shares)

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TERM	MEANING
Perceptive Term Loan	The credit agreement and guaranty between the Company and Perceptive Credit Holdings IV, LP dated 14 March 2025
Prescribed List	Prescribed List of Medical Devices and Human Tissue Products
Pro Forma Forecast Financial Information	As defined in Section 5
Pro Forma Forecast Income Statement	As defined in Section 5
Pro Forma Historical Financial Information	As defined in Section 5
Pro Forma Historical Income Statements	As defined in Section 5
Pro Forma Historical Statement of Financial Position	As defined in Section 5
Prospectus	This document, dated 7 November 2025 for the issue of 87,082,730 New CDIs, including both hard copy and electronic versions, and any supplementary or replacement document
Q1, Q2, Q3 or **Q4**	The first, second, third or fourth quarter (as applicable) of Saluda's financial year
R&D	Research and development
Registrable Securities	As defined in Section 9.5.1
Registry	Computershare Investor Services Pty Limited or any other person that Saluda appoints to maintain the register of CDIs, and in relation to Shares, includes any of its related bodies corporate responsible for the maintenance of the Share register
Regulation S	Regulation S promulgated under the U.S. Securities Act
Restricted Stock Unit or **RSU**	A restricted stock unit or RSU represents a contractual right to acquire one Share (in this Prospectus, references to a particular number of RSUs are references to RSUs with respect to that number of Shares)
Restructuring	As defined in Section 12.7
Retail Investor	An investor who is not an Institutional Investor
Saluda Australia	Saluda Medical Pty Limited (ACN 145 902 272)
Sarbanes-Oxley Act	The U.S. *Sarbanes-Oxley Act* of 2002 (as amended to date and the rules and regulations promulgated thereunder)

14. Glossary continued

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TERM	MEANING
SEC	The U.S. Securities and Exchange Commission
Settlement Date	The date of settlement of the CDIs the subject of the Offer occurring under the Underwriting Agreement
SFA	*Securities and Futures Act*, Chapter 289 of Singapore
SFO	*Securities and Futures Ordinance* (Cap. 571) of the Laws of Hong Kong
Share	A fully paid share of the common stock in the capital of Saluda with a par value of US$0.0001 per share, the terms of which are set out in the Certificate of Incorporation
Shareholder	A holder of Shares
Shockwave	Shockwave Medical Inc. (NASDAQ:SWAV)
Sophisticated Investors	Investors who are persons in Australia who are 'sophisticated investors' or 'professional investors' under sections 708(8) and 708(11) of the Corporations Act
Sole Bookrunner	Bell Potter
Statutory Forecast Cash Flows	As defined in Section 5
Statutory Forecast Financial Information	As defined in Section 5
Statutory Forecast Income Statement	As defined in Section 5
Statutory Historical Cash Flows	As defined in Section 5
Statutory Historical Financial Information	As defined in Section 5
Statutory Historical Income Statements	As defined in Section 5
Statutory Historical Statement of Financial Position	As defined in Section 5
Successful Applicant	An applicant who is allotted CDIs under the Offer
Supply Agreement	The supply agreement between Saluda Australia, Integer and its subsidiary dated 21 January 2020, as amended on 1 March 2022

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TERM	MEANING
Supply and Purchase Agreement	The supply and purchase agreement between Saluda Medical Americas, Inc. and Heraeus Medevio dated 1 November 2024 as amended on 1 January 2025 and 14 January 2025
TGA	The Therapeutic Goods Administration
UK GDPR	The United Kingdom General Data Protection Regulation and United Kingdom Data Protection Act 2018
Underwriter	Bell Potter
Underwriting Agreement	The underwriting agreement dated 7 November 2025 between Saluda and the Joint Lead Managers under which the Joint Lead Managers have agreed to arrange and manage and the Underwriter has agreed to underwrite the Offer
U.S. or **United States**	The United States of America, its territories and provinces, any state of the United States of America and the District of Columbia
US$ or **U.S. dollar**	The lawful currency of the U.S.
U.S. Exchange Act	*U.S. Securities Exchange Act* of 1934 (as amended to date and the rules and regulations promulgated thereunder)
U.S. GAAP	Accounting principles generally accepted in the United States of America
U.S. GAAS	Auditing standards generally accepted in the United States of America
U.S. Offering Circular	The offering circular that must accompany any distribution of the Prospectus in the United States to Institutional Investors
U.S. Person	Has the meaning given to it in Rule 902(k) under Regulation S
U.S. Private Placement	the private placement of CDIs to certain accredited investors in the U.S. which will occur concurrently with the Offer
U.S. Securities Act	*U.S. Securities Act* of 1933 (as amended to date and the rules and regulations promulgated thereunder)
U.S. Treasury Regulations	The U.S. Treasury regulations promulgated under the Code
USRPIs	U.S. real property interests
USRPHC	U.S. real property holding corporation
Warrant	A warrant to acquire Shares (in this Prospectus, references to a particular number of Warrants are references to Warrants to acquire that number of Shares unless otherwise stated)
Wright Medical	Wright Medical Group N.V. (NASDAQ:WMGI)

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Saluda Medical, Inc.
ARBN 691 140 360

Enquiries:

Phone:
Questions relating to the Offer and completing the Application Form can be directed to the Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)

Broker Firm Offer Form

This is an Application Form for CHESS Depositary Interests (**CDIs**) in Saluda Medical, Inc. (ARBN 691 140 360) (**Saluda** or **the Company**) under the Broker Firm Offer on the terms set out in the Prospectus dated 7 November 2025 (**Prospectus**). This Application Form is important. If you are in doubt as to how to deal with it, please contact your stockbroker, accountant or other professional advisers without delay. You should read the Prospectus and any relevant supplementary prospectus (if applicable), carefully before completing this Application Form. Unless otherwise defined, capitalised terms in this Application Form have the same meaning as in the Prospectus. The Corporations Act 2001 (Cth) prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any relevant supplementary prospectus (whether in paper or electronic form).

The CDIs have not been, and will not be, registered under the *United States Securities Act of 1933*, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction in the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Prospectus does not constitute an offer to sell or the solicitation of an offer to buy, the CDIs in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful under applicable law.

A **I/we apply for**

CDIs in Saluda at A$2.65 per CDI or such lesser number of CDIs which may be allocated to me/us.
Applications must be for a minimum of A$2,000 worth of CDIs and in multiples of A$2.65 of CDIs thereafter.
There is no maximum value of CDIs that may be applied for under the Broker Firm Offer.

B **I/we lodge full Application Money**

A$.

C **Individual/Joint applications - refer to naming standards overleaf for correct forms of registrable title(s)**

Title or Company Name Given Name(s) Surname

Joint Applicant 2 or Account Designation

Joint Applicant 3 or Account Designation

D **Enter the postal address - include State and Postcode**

Unit Street Number Street Name or PO Box/Other information

City/Suburb/Town State Postcode

E **Enter your contact details**

Contact Name

Telephone Number - Business Hours

( )

F **CHESS Holder Identification Number (HIN) (if applicable)**

Holder Identification Number (HIN)

X

Please note that if you supply a CHESS HIN but the name and address details on your form do not correspond exactly with the registration details held at CHESS, your Application will be deemed to be made without the CHESS HIN, and any CDIs issued as a result of the Offer will be held on the issuer sponsored subregister.

G **Payment details - Please follow the payment instructions provided to you by your Broker. If paying by cheque, provide your cheque details below.**

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
				A$

Cheques should be drawn according to the instructions provided by your Broker.

By submitting this Application Form:

- I/we declare that this Application is complete and lodged according to the Prospectus, and the declarations/statements on the reverse of this Application Form;
- I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate; and
- I/we agree to be bound by the Constitution of Saluda Medical, Inc.

See overleaf for completion guidelines ➔

Samples/000001/000001/112

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How to complete this Application Form

A **Number of CDIs applied for**
Enter the number of CDIs you wish to apply for. The minimum application size for investors is 755 CDIs (A$2,000) and thereafter in multiples of 755 CDIs (A$2.65).

B **Application Monies**
Enter the amount of Application Monies. To calculate the amount, multiply the number of CDIs applied for in Step A by the Issue Price of $2.65.

C **Applicant Name(s)**
Enter the full name you wish to appear on the statement of securityholding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the incorrect form of names may be rejected. Clearing House Electronic Subregister System (**CHESS**) participants should complete their name identically to that presently registered in the CHESS system.

D **Postal Address**
Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E **Contact Details**
Enter your contact details. These are not compulsory but will assist us if we need to contact you regarding this Application.

F **CHESS**
If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold CDIs issued to you under this Application on the CHESS Subregister, enter your CHESS HIN. Otherwise, leave this section blank and on issue, you will be sponsored by Saluda Medical, Inc. and allocated a Securityholder Reference Number (**SRN**).

G **Payment**
You should ask your Broker for information about how and when to lodge this Application Form, and lodge this Application Form and your payment with your Broker in accordance with their instructions.

Before completing the Application Form the Applicant(s) should read the Prospectus to which this Application relates. By lodging the Application Form, the Applicant agrees that this Application for CDIs in Saluda is upon and subject to the terms of the Prospectus and the Articles of Saluda, agrees to take any number of CDIs that may be issued to the Applicant (s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Lodgement of Application

Your Broker must receive your completed Application Form and Application Monies in time to arrange settlement on your behalf by the Closing Date for the Broker Firm Offer. Applicants should allow sufficient time for this to occur and are therefore encouraged to submit their Applications as early as possible.

Privacy Notice
The personal information you provide on this form is collected by Computershare, as registrar for the securities issuer (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting Computershare using the details provided overleaf or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, Singapore, New Zealand, Hong Kong, Switzerland, the European Union (excluding Austria), the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at http://www.computershare.com/au.

Correct forms of registrable title(s)
Note that ONLY legal entities are allowed to hold CDIs. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the issuer. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons less than 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual: use given names in full, not initials	Mr John Alfred Smith	JA Smith
Company: use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings: use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts: use the trustee(s) personal name(s)	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates: use the executor(s) personal name(s)	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18): use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships: use the partners personal names	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names: use office bearer(s) personal name(s)	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds: use the name of the trustee of the fund	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund

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Saluda Medical, Inc.
ARBN 691 140 360

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Phone:
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The CDIs have not been, and will not be, registered under the *United States Securities Act of 1933*, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction in the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Prospectus does not constitute an offer to sell or the solicitation of an offer to buy, the CDIs in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful under applicable law.

A **I/we apply for**

CDIs in Saluda at A$2.65 per CDI or such lesser number of CDIs which may be allocated to me/us.
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Title or Company Name Given Name(s) Surname

Joint Applicant 2 or Account Designation

Joint Applicant 3 or Account Designation

D **Enter the postal address - include State and Postcode**

Unit Street Number Street Name or PO Box/Other information

City/Suburb/Town State Postcode

E **Enter your contact details**

Contact Name

Telephone Number - Business Hours

( )

F **CHESS Holder Identification Number (HIN) (if applicable)**

Holder Identification Number (HIN)

X

Please note that if you supply a CHESS HIN but the name and address details on your form do not correspond exactly with the registration details held at CHESS, your Application will be deemed to be made without the CHESS HIN, and any CDIs issued as a result of the Offer will be held on the issuer sponsored subregister.

G **Payment details - Please follow the payment instructions provided to you by your Broker. If paying by cheque, provide your cheque details below.**

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
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By submitting this Application Form:

- I/we declare that this Application is complete and lodged according to the Prospectus, and the declarations/statements on the reverse of this Application Form;
- I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate; and
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Joint Holdings: use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts: use the trustee(s) personal name(s)	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates: use the executor(s) personal name(s)	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18): use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships: use the partners personal names	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names: use office bearer(s) personal name(s)	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds: use the name of the trustee of the fund	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund

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Corporate directory

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BOARD MEMBERS

Barry J. Regan, President, CEO & Director
Douglas Godshall, Non-executive Chair
Geoffrey Brooke, M.B.B.S, Non-executive Director
Catherine Livingstone, Non-executive Director
Robert Faulkner, Non-executive Director
Robert Palmisano, Non-executive Director
Quentin Blackford, Non-executive Director (proposed)

U.S. OFFICE AND HEADQUARTERS

9401 James Ave. S, Suite 132
Bloomington, MN 55431
United States
www.saludamedical.com/international/

LOCAL AGENT AND ASX REPRESENTATIVE

Local Agent: Saluda Medical Pty Ltd
ASX representative: Cameron Billingsley

REGISTERED ADDRESS IN AUSTRALIA

Level 2, 5 Eden Park Drive
Macquarie Park, NSW 2113
Australia

JOINT LEAD MANAGER, SOLE BOOKRUNNER AND UNDERWRITER

Bell Potter Securities Limited

Level 29, 101 Collins Street
Melbourne, VIC 3000
Australia
www.bellpotter.com.au

JOINT LEAD MANAGERS

Morgans Corporate Limited

Level 21, 88 Phillip Street
Sydney NSW 2000
Australia
www.morgans.com.au

E&P Capital Pty Ltd

Level 9, 171 Collins Street
Melbourne, VIC 3000
www.eandp.com.au

CO-MANAGER

Commonwealth Securities Limited

11 Harbour Street
Sydney, NSW 2000
www.commsec.com.au

AUSTRALIAN LEGAL ADVISOR

Johnson Winter Slattery

Level 14, 50 Bridge Street
Sydney, NSW 2000
Australia
www.jws.com.au

OFFER WEBSITE

www.computersharecas.com.au/saludaipo

ASX CODE

ASX: SLD

MANAGEMENT TEAM

Barry J. Regan, President, CEO & Director
James Erickson, Chief Financial Officer
Michael Mathias, Chief Commercial Officer
Kristin Caplice, Chief Legal Officer & Secretary

U.S. LEGAL ADVISOR

Latham & Watkins LLP

650 Town Center Drive, 20th Floor
Costa Mesa, CA 92626
United States
www.lw.com

AUDITOR

Grant Thornton LLP

3825 Edwards Road
Cincinnati, OH 45209
United States

AUSTRALIAN INVESTIGATING ACCOUNTANT

Grant Thornton Corporate Finance Pty Ltd

Grosvenor Place
Level 26, 225 George Street,
Sydney, NSW 2000, Australia
www.grantthornton.com.au

IP COUNSEL

Barnes & Thornburg LLP

225 South Sixth Street, Suite 2800
Minneapolis, MN 55402-4662
United States
www.btlaw.com

CDI REGISTRY

Computershare Investor Services Pty Limited

GPO Box 2975
Melbourne, VIC 3001
Australia

Telephone: 1300 850 505 (within Australasia)
or +61 3 9415 5000 (outside Australia)

www.computershare.com

SHARE REGISTRY

Computershare Trust Company, N.A.

150 Royall Street
Canton, Massachusetts 02021
United States
www.computershare.com

OFFER INFORMATION LINE

Call the Saluda Offer Information Line on 1300 850 505 (toll free within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEDT), Monday to Friday



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saluda MEDICAL

saludamedical.com