COMPUMEDICS®

'Defining *Life's* Signals'

Annual Report

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2026

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

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COMPUMEDICS®

'Defining *Life's* Signals'

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Compumedics Limited
ABN 95 006 854 897

Annual General Meeting
Thursday, 29th October, 2026
at 10.30am

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

30 OVER THIRTY YEARS OF EXCELLENCE IN DIAGNOSTICS

Who is Compumedics?

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

Diagnosing sleep disorders

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

Highly sophisticated brain research

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

Compumedics is a technological leader in its chosen markets:

#1
Australian sleep & neuro diagnostics device supplier

#1
Japan sleep diagnostics device supplier

#1
China sleep diagnostics device supplier to premier facilities & **#1 TCD** device supplier

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

Since 1987 Compumedics has grown into a company:

- with 175 employees across seven locations, Melbourne, Australia (Home Office), Charlotte, NC, USA, Hamburg, Freiburg and Singen, Germany, Paris, France and Daejeon, South Korea.
- which listed on the ASX on Dec 21, 2000.
- that has generated almost $960m in revenues since listing of which more than $750m have been export revenues.

All $ = A$ unless otherwise specified

Chairman's Address

NEURO · SLEEP · BRAIN IMAGING · DIAGNOSTIC SaaS

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Dear Compumedics investors, colleagues, and business partners,

On behalf of the Board, management and the entire Compumedics team, I am pleased to present the Compumedics 2026 Annual Report, and to thank our clients, shareholders, business partners and staff for their continued confidence and commitment through the year.

FY26 was the year Compumedics converted a decade of platform investment into financial performance. Revenue reached a record $60.3m, EBITDA rose 74% to $5.4m, and the Group returned to profitability both before and after tax. Growth came from both breakout platforms at once: OrionMEG® LifeSpan delivered its first material revenue, and the connected sleep franchise built on Somfit® and NEXUS 360® grew 70%. The operating leverage we have long described is now visible in the accounts.

FY26 Highlights & Financial Performance

- Record revenues of **$60.3m** (↑18.5% on FY25).
- Sales orders remained strong at **$62.7m**.
- **EBITDA of $5.4m, up 74%**, with EBITDA margin increasing to 9%.
- **Net profit after tax of $0.3m**, compared with a loss of $1.3m in FY25.
- Net operating cash inflow of **$6.6m**, compared with $0.4m in FY25. Cash and cash equivalents at 30 June 2026 were $6.1m and net assets were $22.7m.
- Gross margin of 51% (FY25: 55%), reflecting the higher weighting of MEG capital revenue, tariffs and input-cost pressure.

Breakout Growth Platforms – Somfit® & SaaS

- Somfit® and NEXUS 360® **SaaS revenue** increased to **$10.2m, up 70% YoY.**
- The connected sleep platform **represented 17% of group revenue in FY26**, compared with 12% in FY25.
- **Recurring revenue**, being SaaS together with consumables and customer care, reached **$18.3m or 30% of revenue**, up from 27% in FY25 and 25% in FY24.
- **>1,000,000 Somfit® and NEXUS 360® studies, with 257,000 completed in FY26 alone.**
- Expanded HST market leadership in Australia & New Zealand, continuing to secure over 75% of the pharmacy-based segment.
- US Somfit SAAS **sales restructure strengthened** Somfit® business **performance and outlook**.
- **Somfit® global revenues** grew strongly following FDA and other regulatory approvals, **reaching $12.8m since FY23**.
- **Somfit® sales** commenced in **eight new countries** — the United Kingdom, Greece, Indonesia, the Philippines, Singapore, Brazil, Colombia and India.
- **Over 110,000 Somfit® SaaS studies** have also been completed to date, including 47,000 in FY26.

Breakout Growth Platforms – OrionMEG® LifeSpan Systems

- MEG contributed **$9.7m of revenue** in FY26, following nil in FY25, and was the single largest contributor to Group revenue growth.
- New dual-helmet Orion LifeSpan™ orders were secured from Beijing Normal University and Shandong Normal University, taking total contracted systems to seven — one contract covering two systems.
- MEG sales **orders of $8.5m** were booked, up 44%, leaving an order book of approximately $13.1m entering FY27.
- The first seated-position system shipped to Tsinghua University, giving customers a choice upon order of seated or supine measurement geometry.
- Compumedics, through its collaboration with KRISS and other global research partners, continued advancing its next-generation dual-helmet OrionMEG® technology, positioning the business for further clinical and research adoption.

Further underscoring the strength of the core business profitability, $3.7m was invested in next-generation growth platforms (medical innovations) including Somfit® sleep-healthcare and the associated health SaaS business model.

Gross margins decreased from 55% in FY25 to 51% in FY26, mainly as a consequence of product mix and the phasing of capital deliveries. The favourable Somfit®/SaaS mix was more than offset by the scale-up-phase lower-margin MEG revenue, tariffs and input-cost pressures. Sales and marketing expenditure fell $3.4m to $14.7m through targeted US staff reductions, lower travel and tighter discretionary spend, while R&D expense increased to $4.8m as a higher proportion of development cost was recognised as incurred.

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CHAIRMAN'S ADDRESS - KEY PERFORMANCE MEASURES

FY26 financial performance at a glance

Record revenue, EBITDA up 74%, a return to profit and stronger cash generation

$60.3M
Record revenue
▲ **18.5%** · up from $50.8m in FY25

$5.4M
EBITDA
▲ **74%** · up from $3.1m · EBITDA margin 9% (FY25: 6%)

$0.3M
Net profit after tax
Back in profit · FY25 loss of **$1.3M**

$6.6M
Operating cash inflow
Up from **$0.4M** · cash net facility up $6.7m to $5.6m

FY25 → FY26

Sales orders $62.7m (book-to-bill 1.04x) • gross margin 51% (FY25: 55%) • all figures A$ • FY25 comparatives as restated in the FY26 Preliminary Final Report

CHAIRMAN'S ADDRESS - GROWTH PLATFORMS

Growth platforms and FY26 milestones

SaaS, recurring revenue, OrionMEG® and the order book entering FY27

$10.2M
Somfit® & Nexus 360® SaaS revenue
▲ **70%** · up from $6.0m · now 17% of revenue

30%
of revenue now recurring
▲ **$18.3m** SaaS plus consumables & care · 27% in FY25, 25% in FY24

$9.7M
OrionMEG® revenue
from nil in FY25 · **$13.1m** of MEG orders in hand

1M+
Cloud / SaaS studies to date
257,000 in FY26 · Somfit® 110k+ · NEXUS 360® 910k+

WHAT FY26 DELIVERED

Order book entering FY27
- Sales orders of **$62.7m**, a book-to-bill of 1.04x
- **$28.3m** of open orders, of which $13.1m is MEG.

OrionMEG® from promise to proof
- **Seven systems sold**, around $30m of sales orders to date
- Three systems currently being installed
- Three further systems being manufactured for upcoming installation.

Cost discipline while investing
- **$2m cost savings program** delivered; sales & marketing down $3.4m to $14.7m
- R&D expense up to **$4.8m** as priority platform work was expensed.

Asia Pacific led the growth
- Asia Pacific revenue **$36.5m, up 63%**, led by MEG and connected sleep
- U.S. commercial reset underway; new commercial leadership appointed April 2026.

Record	Recurring	FY27
Revenue $60.3m, EBITDA $5.4m, NPAT $0.3m	30% of revenue, with SaaS growing at 70%	Further double-digit revenue growth, EBITDA growing faster than revenue

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Operations, Quality Regulatory System and Service

Continued Focus on Quality, Production, Productivity and Overall Operational Performance.

In FY26 operations, quality and regulatory execution became a source of competitive advantage rather than a cost of doing business. Manufacturing was progressively internalised, the US organisation was reset, the NEXUS 360® hosting platform was rebuilt, Orion MEG® factory capability increased with relocation to a larger facility with more advanced fabrication facilities, and the Company's regulatory position strengthened materially in Europe and across emerging markets.

Manufacturing and Supply

- Increased internal just in time manufacturing focus continued, and was achieved in a record sales year.
- This helped drive greater manufacturing flexibility and certainty during a time of ongoing global supply volatility. This process enabled smaller and more frequent supplier shipments that allow orders to be pulled in or pushed out while holding inventory low, strengthening order schedule disciplines, and the continued in-housing of PCBA and assembly manufacturing.
- Falcon® PSG was transferred to manufacture with all PCBAs, assembly and test performed in-house; first customer shipments left the factory in June 2026.
- The in-house SMT line built the prototype and first scaled-up production runs of the Falcon® PSG board — the most complex assembly Compumedics has manufactured to date.
- Products now manufactured in-house include all Somfit®/Respifit® and Falcon® HST PCBAs, and all Falcon® PSG PCBAs.

FY27 Manufacturing Initiatives

Manufacturing capability will continue to move in-house during the coming year, maximising surface-mount capacity in Melbourne. In FY27 this will extend to DWL® assemblies, built in Melbourne and supplied to Germany — shortening supply lines and retaining margin within the Group. The Falcon® PSG transfer to manufacture will be further streamlined through reduced handling, shorter test cycles and fully digital documentation.

United States Operations

In the United States, a targeted commercial restructure sharpened opportunity focus and gave senior management direct visibility of the sales funnel. Delivery performance improved materially, converting backlog into shipped and invoiced revenue, and the Somfit® platform achieved 99.9% on-time delivery while preparing for the Somfit® D launch into home sleep testing.

FY27 priorities are to accelerate Somfit® D clinical and channel onboarding, and integrate CRM, ERP and reporting systems to improve forecast accuracy, shipment timing and customer experience.

NEXUS 360® Platform Operations

This platform is where the Group's recurring revenue is being built. As hardware across our industry commoditises, durable value increasingly sits in the diagnostic services layer above the device — and NEXUS 360® is that layer. From FY27, renewal customers transition to per-device licensing with Tier 1 support and services bundled into the subscription, expected to lift SaaS revenue per renewal customer by 15–25% while giving customers more predictable billing. Virtual eLearning will accelerate go-live and reduce live training demand.

Quality and Regulatory

- Regulatory execution was a defining strength of the year. European MDR 2017/745 registration was obtained for ten devices, placing Compumedics among the **approximately 34% of applicant organisations** to have successfully secured EU-MDR certificates. MDSAP certification — recognised by the FDA, Health Canada, the TGA, ANVISA and the PMDA — was maintained across both hardware and software, as was ISO 27001 for information security and privacy.
- Registrations were secured or renewed across nine markets spanning Asia, the Middle East and South America, with 510(k) submissions underway for Falcon® PSG, Somfit® Pro and CORiSS®, and further approvals in progress in ten further countries. This regulatory breadth is the precondition for the commercial expansion described above — few competitors of our scale carry comparable clearance coverage.

Service

Investment in the global service platform continued, with faster call-centre response, expanded field service and technical support teams, an extended online HST training platform, and real-time KPI dashboards that increasingly support predictive and proactive repair.

Technology & Innovation

- Milestone of over **1,000,000 combined SaaS studies** completed to date (Somfit® + NEXUS 360®).
- Ongoing investment in next-generation neuro and sleep technologies, including **DWL's® AI Robotic TCD developments**, with positioning for strategic partnerships and accelerated global market entry.
- Connected sleep revenue growth and MEG execution demonstrate increasing commercial contribution from the Group's technology platforms.

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OPERATIONS, QUALITY, REGULATORY SYSTEM & SERVICE

Operations — cost discipline and margin recovery

The $2m cost program was delivered while investment in priority platforms increased

$14.7M
Sales & marketing expense
down **$3.4m**: targeted U.S. staff reductions, lower travel, tighter discretionary spend

$2M
Cost savings program
delivered in FY26 as announced

51%
Gross margin
FY25: 55% · MEG mix, tariffs and input costs; **recovery is the FY27 lever**

$4.8M
R&D expense
up from **$1.3m**; more development expensed as incurred across priority platforms

MARGIN AND CASH ACTIONS

- **Price increases** to recover tariff and input cost impacts
- **Supply chain efficiencies** and product cost reductions
- **Broader overhead discipline** across the Group
- Operating cash inflow of **$6.6m** (FY25: $0.4m)
- Cash net of the invoice facility and overdraft improved by **$6.7m to $5.6m**
- **U.S.-based commercial leader** for sleep and neurology appointed April 2026

Service
Upgraded call centre; expanded technical support and field service ongoing staff training

Education
Global Online Training Video Platform for HST extended

Insight
Real-time KPI dashboards in Microsoft Dynamics for predictive, proactive repairs

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Market Size & Growth Drivers

Compumedics operates in markets that are large, growing and — critically — structurally shifting toward the home, the cloud and the wearable. The Group's platforms sit directly in the path of that shift.

- The global HSAT market is estimated at US$1.4–1.5 billion in 2025 and is forecast to grow at a 9.7% CAGR to US$2.28 billion by 2030.
- The US HST market, CMP's key Somfit® growth opportunity, is estimated at up to US$240 million annually. Independent estimates of the same market are higher, at US$341 million for 2025, and the two figures likely measure different layers of the value chain.
- The US market represents approximately 2-4 million home sleep studies annually, with CMP identifying a potential US$100–200 million incremental SaaS revenue opportunity as adoption of home-based diagnostics expands.
- The global EEG market is estimated at US$1.5–1.6 billion in 2025 and is forecast to grow at a 10.2% CAGR to approximately US$2.47 billion by 2030.
- MEG is an enhanced temporal resolution alternative to MRI for functional brain imaging, expanding in the U.S., EU and China through major centres. Expansion into paediatric MEG lifts the near-term opportunity for OrionMEG® LifeSpan to around $120 million a year, with long-term upside of around $13.6 billion if adoption follows the MRI trajectory. Reports estimate the global MEG market in the order of US$326 million (PAC Partners, March 2026). These estimates relate to cryogenic MEG and do not include the emerging optically pumped magnetometer (OPM) segment, where Compumedics has lodged patent applications.

Compumedics' Differentiated Value Proposition & Step-Out Opportunities

- High unmet clinical need: neurological disorders (epilepsy, stroke, TBI) and sleep disorders (sleep-disordered breathing, insomnia) continue to affect large and growing populations globally, while diagnostic under-utilisation — particularly in-home and non-lab — remains significant. Compumedics' technologies address these gaps.
- Wearables and home diagnostics: the shift toward remote, wearable and SaaS-enabled diagnostics is accelerating. Somfit®, the NEXUS 360® SaaS platform and OrionMEG® place the Group with global technological leadership in the fastest-growing segments of its markets rather than the segments it must defend.
- Best-of-class Artificial Intelligence (AI), coupled with appropriate quality regulatory system deployment, continues, as it has for many years, to be a mandatory enhancement pathway across Compumedics' range of products and services. Our AI edge is founded on over four decades of evolutionary, Key Opinion Leader (KOL)-driven classical algorithm R&D and validation in sleep and neurology, anchored in well-established, trusted medical standards. We couple this heritage with best-of-class, clinical-grade AI Deep Learning using quality clinical data sets.
- Regulatory and clinical credibility: EU-MDR certification across a large range of devices, FDA clearances and peer-reviewed validation of our AI/DL analysis reduce adoption risk for providers and payers alike, and raise the barrier to entry behind us.

Investment Raised by Step-Out Business Opportunities

- Somfit® wearable home-monitoring systems with patent protection and advanced analytics.
- NEXUS 360®, our SaaS enterprise platform, which scales recurring revenue, demonstrates digital health alignment, and fits the healthcare system's move toward cloud and service economics.
- OrionMEG® LifeSpan brain functional imaging systems, which now generate revenue and address a high-margin, high-differentiation space.

Why Now for Investors

- Market size, technology capability, regulatory alignment and clinician demand are converging simultaneously in Compumedics' favour.
- Devices, diagnostics and SaaS together produce recurring and scalable revenue rather than one-off product sales — a mix the FY26 result now demonstrates in the accounts, not only in prospect.
- The technology roadmap, regulatory approvals and product launches underpinning FY27 are already in motion, materially reducing execution risk.

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WHY NOW FOR INVESTORS

Market size & growth drivers

Large, under-diagnosed markets moving toward home-based, wearable and cloud-delivered care

ADDRESSABLE MARKETS, 2025 TO 2030

Global home sleep testing (HSAT)

2025 US $1.45b
2030 **US $2.28b**

CAGR ~ 9.7%

Precedence Research · Mordor Intelligence · PAC Partners

Global clinical EEG

2025 US $1.55b
2030 **US $2.47b**

CAGR ~ 10.2%

Precedence Research · Mordor Intelligence · PAC Partners

Global MEG

2025 US $326m
2030 **US $430m**

CAGR ~ 5.7%

PAC Partners · U.S. is the largest MEG market

U.S. home sleep testing

US $240M a year

2 - 4m home sleep studies each year

10 - 30% targeted share after Somfit® D clearance

US $100 - 200m incremental SaaS opportunity, two years

PAC Partners

80-90%
of sleep disorders remain undiagnosed globally

936m
adults with obstructive sleep apnoea; 425m moderate to severe

80% +
of U.S. sleep-disease patients remain untested

Market estimates: PAC Partners valuation paper, March 2026

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Product Developments

FY26 advanced the portfolio decisively toward connected, browser-based and automated diagnostic workflows. Two major development programs — **Falcon® PSG and Somfit® D** — reached commercial deployment, while the **Falcon®, ProDigi™ and NEXUS 360®** platforms were drawn together into a single end-to-end environment.

Key product and platform developments in FY26

- **Falcon® PSG** — released during FY26, completing the platform's transition from development to commercial availability. Falcon® PSG extends the Falcon family into comprehensive polysomnography and complements Falcon® HST, giving Compumedics an integrated platform spanning laboratory and home-based sleep diagnostics. Falcon® PSG with its optimised patient setup, AI-based analysis, and browser-based workflow make it a benchmark in home sleep diagnostics.
- **Falcon® HST**— enhanced with full NEXUS 360® integration, enabling a browser-based workflow for point-of-presence home sleep testing services from patient setup and acquisition through to analysis and reporting.
- **ProDigi™ PSG** — the browser-based analysis and reporting platform was significantly extended to support both Falcon® HST and Falcon® PSG studies, with further automation of analysis and report generation.
- **Somfit® D** — completed following FDA 510(k) clearance, enabling the disposable Somfit® variant anticipated in the prior year's development program and materially widening the addressable large-scale screening market.
- **Somfit®** and **Somfit® Pro** — continued investment in device, software and analysis capability, supporting Somfit's evolution as a scalable platform for clinical-grade home sleep diagnostics.
- **Profusion™ PSG** — continued development of automated analysis capability, improving the efficiency of sleep-study analysis and reporting.
- **Profusion™ EEG** — expanded EEG trending capability and introduction of a 64-bit application, providing a modern software foundation for continued platform development.
- **NEXUS 360®** — development continued across cloud and on-premise deployments, with particular emphasis on tighter integration between the enterprise platform and Compumedics' diagnostic devices.
- **AI and Deep Learning** — our proprietary AI/DL algorithms continued to demonstrate equivalence to expert human scoring, with peer-reviewed publications validating their clinical robustness. These algorithms underpin automated analysis across our product portfolio.

Product Development Overview

The most significant development of the year was not any single release but the convergence of the Falcon, ProDigi™ and NEXUS 360® platforms. Falcon® HST integration with NEXUS 360®, combined with ProDigi™ support for both Falcon® HST and Falcon® PSG, establishes the foundation for a complete browser-based sleep diagnostic workflow connecting acquisition, data management, automated analysis, clinical review and reporting within one environment. In neurological diagnostics, expanded EEG trending and the 64-bit Profusion™ EEG platform provide the base for the next generation of analysis and visualisation.

Outlook

Development will increasingly focus on deepening the integration between diagnostic devices, browser-based clinical applications, automated analysis and the NEXUS 360® enterprise platform. Following the FY26 releases, effort shifts to extending the capability of Falcon® PSG and Somfit® D and strengthening their connection to the wider software environment, while continued investment in Profusion™ PSG and Profusion™ EEG advances automated analysis, reporting, trending and clinical workflow. Together these programs position Compumedics to deliver a genuinely integrated diagnostic ecosystem spanning home sleep testing, laboratory polysomnography, neurological diagnostics, automated analysis, clinical reporting and enterprise data management.

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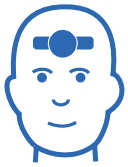
The Compumedics platform

Six revenue segments, one platform: 25,000+ installed systems across 60+ countries



HOME SLEEP TESTING • SAAS

Somfit® & Somfit® Pro

- Integrated **brain-and-body HST;** <25g forehead-worn
- **Somfit® D** single-use, FDA-cleared; U.S. rollout underway
- **110,000+** studies to date, 47,000 in FY26

SLEEP CLINICAL DIAGNOSTICS

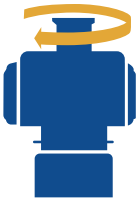
Grael,® Falcon® HST & PSG

- High-end laboratory PSG: the **installed base** the recurring lines are sold into
- Falcon® HST **FDA cleared**, browser-based workflow
- FY26 segment revenue $16.1m; orders $18.2m

SAAS ENTERPRISE PLATFORM

Nexus 360®

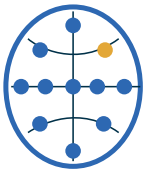
- **910,000+** cloud studies to date, 210,000 in FY26
- Referral workflows, **Medicare billing**, secure messaging
- SaaS revenue $10.2m, **17%** of the Group



FUNCTIONAL BRAIN IMAGING

OrionMEG® LifeSpan

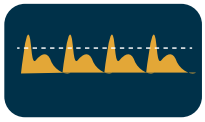
- The only dual **adult/paediatric helmet** MEG
- **Seven systems** sold; $9.7m FY26 revenue; $13.1m open orders
- Rated among the very top MEG systems in the world



NEURO MONITORING & RESEARCH

Okti® wireless EEG · CURRY® 9

- Okti® **FDA-cleared** wireless EEG; Neuroscan in 1,500+ institutions
- CURRY®: **30 year**s as the neuroimaging gold standard
- FY26 segment revenue $11.7m



DWL® TRANSCRANIAL DOPPLER

EZ-Dop® & AI Robotic TCD

- **EU-MDR, TÜV and FDA 510(k)**
- Robotic TCD for ICU, ER, sports and ambulances; AI for **TBI**
- FY26 revenue $4.5m with strong U.S. performance

Consumables & customer care add $8.1m of recurring revenue across the installed base · AI/DL algorithms with peer-reviewed equivalence to expert scoring.

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Business Unit Updates — Somfit® and Somfit® Pro Systems

Somfit® - how the platform works

True-sleep measurement, brain and body, at home, on a per-study SaaS model.

STEP 1
Wear
Light forehead sensor, <25g; brain-based monitoring plus respiratory measures.

STEP 2
Stream
Data flows to the NEXUS 360® SaaS platform; no hospital visit.

STEP 3
Analyse
Proprietary AI/DL scoring with peer-reviewed equivalence to expert scorers.

STEP 4
Act
Medical-grade, reimbursable results; actionable sleep-health information.

In FY26 was the year Somfit® became a global platform. Revenue, geographic reach, pharmaceutical/CRO adoption and study volume stepped up together, and the connected sleep franchise now represents **17% of Group revenue**.

FY26 Commercialisation Update — Revenue & Pipeline

- Somfit® and SaaS revenues reached **$10.2m**, now **17%** of group revenue (up from 12% in FY25).
- Established a **$10m+ pipeline** following U.S. **Somfit® D FDA approval.**
- More than **110,000 Somfit® studies** have now been completed, including **47,000 in FY26**.
- Compumedics continues to hold over **75% of the Australian and New Zealand pharmacy-based** HST segment.

Increased Sales Footprint

- **Somfit® sales** commenced in the United Kingdom, Greece, Indonesia, the Philippines, Singapore, Brazil, Colombia and India — extending the platform across Europe, Asia-Pacific, Latin America and the sub-continent within a single year.

New Market Expansion

- The **pharmaceutical clinical trial market** was developed further, with approximately **$5m in orders** secured to date from global pharmaceutical companies and contract research organisations.
- A **US Vice President of Business Development** was appointed for the **pharmaceutical and CRO** segment.
- Somfit® was selected for **three Australian Medical Research Future Fund multi-year trials** assessing wearable device performance against traditional Level 1 and Level 2 studies in the diagnosis of obstructive sleep apnoea — an unusually strong **independent endorsement of the platform's clinical utility.**

Strategic Partnerships

- **Five-year, $3m program with Philips** (Australia) for pharmacy-based HST.
- Advanced multiple regional agreements with global CPAP providers.
- Entered **multi-year partnerships with U.S. IDTFs**, supporting growth in the world's largest sleep market.
- **CRO Master Services Agreements** are in place with **two of the top five global CROs.**

Clinical Validation and Regulatory Progress

- **Published three peer-reviewed papers** validating the performance of the Somfit® technology in HST, with additional studies underway.
- **CE and FDA** clearances secured; FDA 510(k) clearance achieved for Somfit® D.
- Anticipate U.S. registration of Somfit® Pro in mid-FY27.
- Regulatory approvals obtained in Brazil, Colombia, Indonesia, Hong Kong and Singapore, supporting LATAM and Asia-Pacific expansion.
- Launch of the Somfit® disposable expected in FY27 across the U.S., Canada, Australia and other key markets.

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Somfit® in Pharmaceutical Clinical Trials — The Sleep Endpoint

In December 2024 the United States Food and Drug Administration approved the first medication for obstructive sleep apnoea, on an endpoint measured in breathing events per hour of sleep: an improvement of 25.3 events per hour against 5.3 on placebo. A sleep measurement now carries a drug label claim. There are 936 million adults worldwide with obstructive sleep apnoea, 425 million of them moderate to severe. Sleep testing services are an US$8.4 billion market growing at over ten per cent a year — and the pharmaceutical and contract research segment of it is not separately sized by any analyst, because no company holds it.

Every drug that reaches the brain affects sleep. Cognition is measured where cognition is the question; sleep influences central nervous system, metabolic, respiratory, cardiovascular, pain and oncology health programmes alike. Sponsors are already commissioning sleep-related endpoints from suppliers who cannot provide primary sleep monitoring data measures.

Compumedics is the only company that can take a sponsor from a self-applied sensor to a defensible sleep endpoint using technology it owns at every layer. Somfit® captures multiple classes of physiological signal simultaneously from one home-worn device; Somfit® D adds an FDA-cleared single-use form factor for additional flexibility. NEXUS 360® runs the study; Profusion® scores it. More than one million studies have now been conducted on Compumedics platforms — 257,000 in FY26 alone and over 110,000 on Somfit® — and, across the installed base since listing, in the order of twelve million scrutinised overnight multi-physiology sleep studies, consistently acquired and expert-scored. That is the training and validation base a new entrant cannot buy.

None of this is a start-up's claim. Compumedics has equipped over 25,000 installations and in the order of A$1 billion in cumulative shipments, among them Mayo, Stanford, Yale, Albert Einstein, Beijing, Shanghai and Tokyo Universities, and won two NASA contracts for Space Shuttle and Space Station missions. In the mid-1990s it won both the hardware and the software contracts for the National Institutes of Health Sleep Heart Health Study (SHHS) — against twenty-one competing suppliers including the established American vendors in each category, chosen by sleep experts from eleven leading United States university hospitals. Over ten thousand polysomnograms were recorded on the P-Series across nine parent cohorts including the Framingham Heart Study, and scored in Profusion® at the Case Western reading centre. SHHS established sleep-disordered breathing as a predictor of incident heart failure, coronary heart disease and all-cause mortality: the findings that put sleep into the cardiology textbooks. Its investigators, led from Harvard, wrote the methods standard for unattended multicentre home polysomnography — on our equipment. Eight thousand of those recordings are public today in Compumedics formats, and the cohort is still publishing.

That line is unbroken: the P-Series became the Somté home and laboratory series and today the Falcon® systems, and alongside them sit Somfit®, Somfit® PRO and Somfit® D — the first to deliver clinical-grade sleep study data from a wearable the participant applies unaided. Through Neuroscan® and CURRY® we have supplied the international research EEG community since 2002, and through DWL® we have held a position in transcranial Doppler since 2004.

We have partnered on this scale before. In 1999 a Japanese group with turnover above ten billion dollars invested in Compumedics, took exclusive distribution of our recorders and our analysis software in its market, and funded the joint development of a cardiorespiratory product — while we retained all intellectual property and all international rights. It provided the capital; we provided the innovation.

In FY26 the channel became commercial: orders from global pharmaceutical companies and contract research organisations, a United States Vice President of Business Development appointed to the segment, selection for three Australian Medical Research Future Fund multi-year trials, and three peer-reviewed validation papers.

Businesses built on a single validated measure sold to sponsors have reached valuations in the hundreds of millions of dollars; one complete end-to-end clinical trial data platform was acquired outright at an enterprise value approaching six billion US dollars, close to nine times revenue. Of the twenty drug development tools the Food and Drug Administration has ever qualified, across every disease in medicine, not one is a sleep measure. No company holds this position.

The Board is now engaging in partnership, licensing, co-development and strategic investment discussions, as mechanisms to further accelerate breakout project healthcare and commercialisation outcomes.

Outlook

FY26 demonstrates our ability to scale Somfit® from a regional success to a global platform, unlocking clinical, commercial and consumer potential, with a strong focus of valuable sectors including Somfit® in Pharmaceutical Clinical Trials. With Somfit® D now FDA-cleared and moving toward US commercial release, an expanded international footprint and a rapidly maturing pharmaceutical trials vertical, Somfit® enters FY27 as the Group's principal driver of recurring revenue growth.

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BUSINESS UNIT · SOMFIT® & SOMFIT® PRO HOME SLEEP TESTING

Somfit® — FY26 highlights at a glance

SaaS revenue up 70%, one million studies, and the U.S. rollout of Somfit® D underway

$10.2M

Somfit® & NEXUS 360® SaaS revenue

▲ **70%** up from $6.0m in FY25

17%

of total company revenue

up from **12%** in FY25 and 9% in FY24

$6.9M

Somfit® invoiced revenue

▲**110%** U.S. $3.9m (▲70%), Australia $1.6m (▲148%)

110K+

Somfit® studies to date

47,000 in FY26
1,000,000+ with NEXUS 360®

Strategic partnerships

- **Five-year, $3m** program with Philips (Australia) for pharmacy-based HST
- Regional agreements with global CPAP providers
- Multi-year partnerships with U.S. IDTFs, the world's largest sleep market.

Expansion into pharma

- Entered the **pharmaceutical clinical trial** market
- **~$3.5m initial orders** from two global pharmaceutical companies
- Somfit® preferred in pharmaceutical trials and by sleep specialists.

Scientific validation

- **Three peer-reviewed papers** validating Somfit® performance in HST
- Additional studies underway to strengthen credibility and adoption.

Regulatory milestones

- **CE and FDA** clearances; approvals in Brazil, Colombia, Hong Kong, Singapore
- U.S. reimbursement codes fully cover forehead-mounted home tests.

Somfit® D

- FDA 510(k) cleared single-use device, **<25g**
- U.S. commercial rollout underway; targeting 10-30% of the U.S. HST market over time.

Market leadership

- **75%+** of the ANZ pharmacy-based HST segment
- Recurring, per-study SaaS economics; 30% of Group revenue now recurs.

FY27 priorities: scale Somfit® and NEXUS 360®, expand U.S. HST adoption, deepen enterprise utilisation, progress Somfit® D to U.S. release

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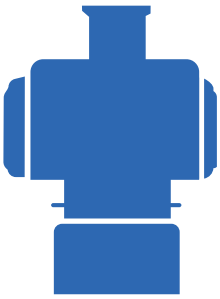
Business Unit Updates — OrionMEG® LifeSpan Functional Brain Imaging System

FY26 was the year OrionMEG™ LifeSpan converted an order book into revenue. MEG contributed $9.7m, following nil in FY25, and was the largest single contributor to Group revenue growth — evidence that Compumedics can execute complex, high-value neuro-imaging programs at scale.

BUSINESS UNIT · ORIONMEG® LIFESPAN TECHNOLOGY

OrionMEG® LifeSpan — state-of-the-art MEG

"Truly a state-of-the-art MEG system, among the very top MEG systems in the world." - **Prof. M. Huang, UCSD**



DUAL HELMET

The only **dual adult/paediatric helmet** MEG; hyperscanning capability.

MANUFACTURING

Expanded factory and team for manufacturing, along with Compumedics' own **magnetically shielded room** in South Korea for full integration and testing.

CURRY®

The established **gold standard** in neuroimaging software; developers in Germany.

Twelve months ago the proposition centred on pending installations. FY26 provided the evidence: **$9.7m of revenue**, a total of seven systems sold, **$13.1m of orders in hand**, additional Chinese orders expected, along with U.S. research hospitals.

FY26 Orion LifeSpan™ MEG Achievements

- MEG revenue of $9.7m in FY26, following nil in FY25.
- MEG sales orders of $8.5m, up 44%, with an order book of approximately $13.1m entering FY27.
- MEG was the largest contributor of Group revenue growth in FY26.
- Orders received from Beijing Normal University (BJNU) and Shandong Normal University (SDNU), each for a dual-helmet Orion LifeSpan™ system, taking total contracted systems to seven — one contract covering two systems.
- The first seated-position system was shipped to Tsinghua University, demonstrating that customers may select at time of order either seated or supine measurement geometry.
- The Korean MEG manufacturing facility relocated to a larger, modern site housing offices, warehousing, manufacturing lines, clean assembly and electronics assembly areas, and a magnetically shielded room.
- Manufacturing, engineering and integration staff increased to 20 full-time employees under the leadership of Mr Hyungduk Kim (ex-Siemens Healthineers), lifting capacity to three MEG systems per year — the level required to meet current demand.

OrionMEG® LifeSpan — Functional Brain Imaging

Magnetoencephalography measures brain function directly, at millisecond resolution, from the magnetic fields produced by neural activity, and without touching the head.

FY26 was the year that position produced revenue. MEG contributed $9.7 million, following nil in FY25, and was the single largest contributor to Group revenue growth — evidence that Compumedics can execute complex, high-value neuro-imaging programmes at scale. Sales orders of $8.5 million were booked, up 44 per cent, leaving an order book of approximately $13.1 million entering FY27 against six contracted systems, including dual-helmet orders from Beijing Normal University and Shandong Normal University. The first seated-position system shipped to Tsinghua University, demonstrated that customers may select either seated or supine measurement geometry.

The Orion LifeSpan™ advantage is architectural, not incremental. The Orion LifeSpan™ is the only dual-helmet adult and paediatric MEG system in the world. Two helmets mean two brains can be recorded simultaneously — hyperscanning. Such studies, which a single-helmet system cannot do at all, underpin the whole of interactive and social neuroscience. The same architecture can be used to measure MEG from subjects from infancy to adulthood on one platform. No competitive MEG offers such features. A competitor cannot retrofit a second

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helmet to a single cryostat; this was a design decision taken years ago. Combining with Compumedics fully compatible and integrated range of low, medium and high-density EEG monitoring systems; complete CURRY® integration; and advanced stimulators, coupled with NEXUS 360® enterprise platform, provides a distinctive and unique LifeSpan™ MEG Orion market positioning.

Patented zero-loss helium recycling removes liquid helium as a consumable — the standing objection to cryogenic MEG, and the principal argument advanced for replacing the modality. Fully integrated EEG matters clinically: the peer-reviewed literature finds that combined EEG and MEG source reconstruction can outperform either modality alone in presurgical epilepsy evaluation. And complete CURRY® integration connects the instrument to the analysis software the clinical MEG community has used for thirty years — a platform used across the field, including alongside other manufacturers' hardware. Compumedics is the only supplier that owns both the instrument and the analysis platform the field already runs on.

Capacity now matches demand. The Korean manufacturing facility relocated during the year to a larger modern site with clean assembly, electronics assembly and a magnetically shielded room, and staff rose to twenty full-time under a leader recruited from a global imaging manufacturer, lifting output to three systems per year. FY27 centres on delivery and on reach: opening United States commercial entry alongside the now well-established Chinese research market, supported by a dedicated full-time United States MEG lead.

Partnership, licensing, co-development and strategic investment discussions, are now underway to progress healthcare and commercialisation outcomes.

FY27 MEG Outlook

The Orion LifeSpan™ remains the only dual-helmet adult/paediatric MEG system in the world, with patented zero-loss helium recycling, fully integrated EEG and complete CURRY® integration.

FY27 centres on delivery and reach. Orion shipments to TU, TJU and HZNU continue alongside two further systems against existing contracts, with manufacturing capacity now scaled to sustain multi-system demand. We will pursue further orders in the now well-established Chinese research market while opening US commercial entry — broadening the geographic base of MEG revenue — supported by a strengthened US presence with Dr William Oliver dedicated full-time to MEG, and platinum sponsorship of Biomag 2026 in Beijing.

Technically, noise-cancellation algorithms will lift signal-to-noise performance, and CURRY® enhancements extend our position in hyperscanning and analytics.

With capacity matched to demand and US entry in prospect, MEG moves from proof of execution to a sustained growth platform.

Compumedics Orion LifeSpan™ MEG

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BUSINESS UNIT · ORIONMEG® LIFESPAN FUNCTIONAL BRAIN IMAGING

OrionMEG® LifeSpan — world-leading MEG

From pending installations to $9.7m of revenue and a $13.1m order book

7
Orion MEG systems sold
Around **$30m** of sales to date in the world's fastest-growing MEG market

$9.7m
FY26 MEG revenue
From **nil** in FY25 · systems shipped, installed and invoiced in China

$13.1m
open MEG orders entering FY27
Plus **three further systems** being manufactured for upcoming installation

Top tier
Independent validation
UCSD onsite evaluation: **among the very top MEG systems** in the world

MILESTONES AND THE PATH TO THE UNITED STATES

• NOV 2024 · COMPLETED
Tianjin Normal University (TJNU)
First dual-helmet Orion MEG fully accepted

• FY26 · COMPLETED
China deliveries
$9.7m of MEG revenue recognised on systems installed and invoiced

• FY27 · SCHEDULED
U.S. research hospitals
Expected to begin ordering; $13.1m order book to deliver

• FY28 · SCHEDULED
First U.S. installations
Anticipated, supported by FDA clearance (2020) and UCSD validation

> *"…the leading-edge Orion LifeSpan dual whole-head MEG System from Compumedics is truly a state-of-the-art MEG system, among the very top MEG systems in the world."*
>
> **Professor Mingxiong Huang, Ph.D.** - Co-Director, UCSD Magnetoencephalography (MEG) Center; Professor, UCSD Departments of Radiology and Electrical & Computer Engineering

- **Magnetically shielded room (MSR)** at the expanded South Korea facility: full system integration and testing in-house
- Long-term China partner **Beijing Fistar** for market penetration and service support
- MEG revenue is milestone-recognised on delivery and **lumpy by construction**
- The only **dual adult/paediatric helmet MEG**, unified with CURRY® neuroimaging software
- High barriers to entry: specialised hardware, software, manufacturing and **reference sites**
- **FY27:** deliver the order book to schedule and margin, convert the pipeline, grow lifecycle revenue

Sources: FY26 Preliminary Final Report; FY26 investor presentation

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Business Unit Updates — Compumedics® Neuroscan® CURRY® 9 (CURRY®) Neuroimaging Software Suite

CURRY® marked **thirty years of continuous innovation** in FY26 and remains the de-facto platform of the clinical MEG community. Against a North American research market where federal budgets tightened and institutional procurement slowed, the division chose to invest rather than discount — and enters FY27 with the most significant CURRY® release in a decade close to completion.

Product Developments

- **CURRY® 10 is in beta**, spanning file management, data acquisition, epileptic spike analysis, stereo-EEG, expanded coregistration, deeper Orion LifeSpan™ MEG integration and additional source-localisation modelling.
- CURRY® 10 is a deliberate shift from sophistication to workflow. The analytical depth that defines the brand is retained, delivered through an interface that lowers the barrier to entry for new laboratories and lifts frequency of use among existing users — addressing the single largest structural constraint on CURRY® adoption.
- CURRY® 9 received incremental releases responding to field and CURRY® School feedback. In-person Schools continued in Hong Kong and Wuhan alongside virtual research and clinical streams.
- The **OKTI® Lab-in-a-Case** was launched, packing a complete high-density acquisition ecosystem into a single ruggedised case. It secured an inaugural order from **Yale University** and takes clinical-grade EEG out of the laboratory into real-world research settings.

CURRY® 11 — AI and subscription

- **Precision clinical AI:** deep-learning automated epileptic spike detection, streamlining pre-surgical evaluation while preserving clinical rigour.
- **Intelligent workflow assistance:** an embedded assistant guiding clinicians through diagnostic pathways from real-time data.
- **AI-guided onboarding:** interactive self-learning modules compressing the traditional learning curve.
- **SaaS delivery:** subscription architecture converting CURRY® from licence sale to recurring revenue.

FY27 Priorities

- **Expansion beyond the academic grant cycle** into corporate and industrial neurotechnology — product design, consumer research and market intelligence — a buyer set with materially shorter procurement cycles.
- A senior Research Executive Account Manager for the East Coast, recruited to convert high-value leads into near-term revenue.
- Targeted penetration where our hardware-software integration is differentiated: simultaneous fMRI-EEG acquisition, and high-density EEG in paediatric neurodevelopmental research.

Thirty years on, CURRY® remains the platform of record for clinical MEG. The FY26 investment in workflow and the FY27 move to AI and subscription are intended to convert that scientific standing into recurring commercial value.

CURRY® Software

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Contribution to Compumedics Group revenue, alongside the growth in Somfit®, NEXUS 360® and OrionMEG®.

BUSINESS UNIT • NEURO MONITORING & RESEARCH - NEUROSCAN®• OKTI®• CURRY®

Neuroscan® & CURRY® — the neurotechnology platform

A globally established platform supporting growth, cross-sell and innovation

1,500+

Research institutions

Neuroscan systems in use across **40+ countries**

Okti®

wireless EEG, FDA-cleared 2023

Mobile, high-fidelity EEG for research and clinical use

30yrs

of CURRY® innovation

The established **gold standard** in neuroimaging software

$11.7m

FY26 segment revenue

FY25: $14.3m · orders **$12.4m** · Asia resilient, U.S. and Europe softer

Strategic market adaptation

- Navigated **NIH and public research funding** constraints by pivoting into:
- **Venture-capital-backed** neurotech start-ups
- **Clinical markets** where demand for advanced diagnostics is rising

Technology depth and cross-sell

- Shared customers across EEG, research systems and **MEG**
- Decades of signal-acquisition and neurophysiology expertise; CURRY® unifies the portfolio

FY27 Focus

- Improve U.S. **capital equipment execution**; expand wireless EEG penetration
- Sell the broader portfolio alongside MEG opportunities
- Grow software and consumable revenue from the installed base

Sources: FY26 Preliminary Final Report; FY26 investor presentation

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Business Unit Updates — DWL® Overview

DWL® — Cerebrovascular Monitoring

What the Division Does

Transcranial Doppler is a rapid, non-invasive and repeatable ultrasound technique that gives real-time insight into blood flow in the arteries of the brain. Because it is portable and can run continuously, it is uniquely useful where imaging cannot go — at the bedside, in intensive care, and during surgery.

It supports the assessment of cerebral vasospasm, perfusion, autoregulation and circulatory arrest, and the detection of cerebral microemboli during high-risk cardiovascular and neurosurgical procedures. It is established in stroke and transient ischaemic attack, subarachnoid haemorrhage, traumatic brain injury, sickle cell disease and the detection of patent foramen ovale.

Compumedics DWL has developed and manufactured transcranial Doppler as its core competence since 1991. Our work continues to move the modality from a single diagnostic examination toward an integrated platform for continuous cerebrovascular monitoring, through automation, software, quantitative analysis and emboli detection.

FY26 Regulatory and Commercial Delivery

- EU-MDR certification compliance remains a key ongoing focus – certifications include Multi-Dop® T, Doppler-BoxX® and EZ-Dop®, placing the division's three principal platforms on the current European regulatory framework.
- EZ-Dop® achieved TÜV approval and FDA 510(k) clearance, and sales following launch have run ahead of expectation. The portable form factor has proved well matched to field and outpatient screening, which is where the largest unserved demand for this modality sits.

Taken together these give the division current regulatory standing in both of its principal markets, on the platforms it intends to build on.

Investing in the Platform

QL v4 is a substantial evolution of DWL's® software, built around a modern, touch-friendly interface and workflow efficiency. Introduced with EZ-Dop® and since extended to the Doppler-Box® X series, it is now being extended again with monitoring capability, with the objective of a single scalable software platform across the full DWL® range.

The platform will carry continuous monitoring alongside the established clinical applications — emboli detection and differentiation, CO and vasomotor reactivity testing, and Evoke Flow for the assessment of cerebrovascular response — with selected AI-enabled features to follow as clinician need directs. QL v4 monitoring will be presented at DWL's Asian distributor meeting in September 2026.

Separately, and for the first time in the division's history, DWL® is bringing probe production in-house. The production line and employee training are under way, with first probes expected by the end of September 2026. Probes are the component on which transcranial Doppler performance ultimately depends, and holding that know-how internally strengthens supply security and quality control, gives greater freedom in future product development, and is expected to support margin over time.

Patent approval for the full robotic transcranial Doppler probe

The division's most significant FY26 development is not commercial but technical. DWL® achieved patent approval for a full robotic transcranial Doppler probe designed to automate the examination entirely — autonomously identifying the temporal acoustic window, and then locating the relevant cerebral vessels.

Automatic acoustic-window identification coupled with unique patented robotic locational mechanisms and DWL's time-proven, trusted medical TCD locational knowledge is a key benefit. Finding the window is the single obstacle that has limited transcranial Doppler since it was invented, and it is the reason the examination has always required an experienced operator. Robotics itself has become a commodity — industrial arms, force sensing and depth cameras can be bought. What cannot be bought is time-proven, trusted medical probe-placement knowledge.

To bring the benefit forward commercially, DWL® will first release a semi-automated system using the probe's tilting technology for automated vessel localisation and positioning, establishing the pathway to the fully robotic device. This is a near-term product, not a research programme.

We have been working on this problem for a very long time. In 1992 the engineer who today leads our robotics programme was granted a patent for a motorised, multi-axis ultrasound probe positioner. In 2005 we filed for the automatic location of occlusions in vessels. In 2015 a European patent was granted for a servo-controllable transducer performing automatic signal detection in the brain-supplying arteries. The family filed in 2024 was granted this year in Europe, the United States and China.

Scaling the screening that stroke treatment depends on

In 2021, for the first time, neurological conditions overtook cardiovascular disease as the leading contributor to disease burden worldwide — 3.4 billion people, forty-three per cent of humanity. Stroke alone accounts for approximately 11.9 million new cases a year.

Transcranial Doppler is the established method for identifying children with sickle cell disease at risk of stroke: screening, with transfusion for those with abnormal velocities, has been shown in randomised trials to reduce first-stroke risk by ninety-two per cent. DWL® systems are in clinical use for this purpose at leading paediatric centres. These centres include St. Jude Children's Research Hospital in Memphis, Tennessee, and have been deployed as the TCD platform in major international pharmaceutical clinical trials, alongside TCD training programmes now under way. The clinical requirements of those programmes have fed back into the product: DWL® systems and software now include sickle cell-specific examination functions and reporting options that support standardised measurement and documentation under the established screening protocols.

Yet the intervention is not reaching all the children it could. Fewer than half of those who should be screened are, and the quality of screening varies widely between centres. With international focus on sickle cell screening and stroke prevention increasing, sickle cell diagnostics is a growth area for DWL® — and one where making the measurement less operator-dependent, through the semi-automated and robotic probe, is what will make high-quality screening more accessible.

In acute stroke the same shortage produces a different failure. Substantial capital is being committed to treating stroke, and treatment capacity is now expanding faster than the ability to find the patients who need it: approximately thirty per cent of large vessel occlusions are never diagnosed at all, and the global intervention rate stands at twenty-nine per cent. That gap will not be closed by better catheters, and it will not be closed by selling more instruments. It will be closed by making the measurement itself performable by anyone, anywhere, to a consistent standard — which is precisely what the robotic probe patent is for.

In line with other Compumedics breakout projects, the Board is activating Investment Bank and other advisory remits to identify potential partnership, licensing, co-development and strategic investment discussions, as mechanisms to further expedite healthcare and commercialisation outcomes.

BUSINESS UNIT · COMPUMEDICS DWL® CEREBROVASCULAR DIAGNOSTICS

DWL® — highlights

An established global business with a clear operational reset and differentiated technology upside

TRANSCRANIAL DOPPLER PIPELINE

01 • CERTIFIED

Regulatory achievements

- **EU-MDR certification**: Multi-Dop® T, Doppler-Box X®, EZ-Dop®
- **TÜV approval and FDA 510(k)** for EZ-Dop

02 • LAUNCHED

EZ-Dop® market launch

- Portable, battery-powered; hospitals, outpatient, emergency, field
- New **Routine QL** software; AI **emboli detection** coming

03 • IN DEVELOPMENT

AI Robotic TCD

- Portable robotic module: ICU, **ER, sports fields, ambulances**
- AI for **traumatic brain injury (TBI)** monitoring; development paced to clinical demand and returns

04 • RESEARCH

Clinical impact · ICP / POCUS

- **Noninvasive ICP** assessment, an alternative to lumbar puncture
- Suited to the expanding **point-of-care ultrasound** paradigm

$4.5m

FY26 revenue (FY25: $4.7m); **DWL USA up 58%** in US$ terms; orders $4.7m, up 4%

Reset

Priority on **manufacturing continuity, cost reduction** and sustainable margins and cash flow

Stroke • TBI

Technologies positioned for **critical global challenges** in cerebrovascular health

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Business Unit Updates — Compumedics' Alpha trace® Equity Accounted (50% CMP ownership)

Compumedics alpha trace® again exceeded €1 million in sales in FY26, maintaining its position as Austria's leading EEG supplier and continuing to serve as the Group's route into the German-speaking clinical market.

FY26 Alpha Trace® Achievements

- Broke the sales target of €1 million, demonstrating continued profitable growth.
- The neurology and psychiatry clinic in Ravensburg was secured as a significant new customer, now operating eight Okti® systems over WLAN for in-hospital patients, three routine EEG systems, one EEG/PSG system — all with video — and two LTM video-EEG systems.
- Four routine EEG systems were installed at a children's hospital in Munich, where the ease of use of NeuroSpeed-EEG™ has been particularly well received.
- Added approximately ten new customers for NeuroSpeed-EEG™.
- The landmark Kepler University Clinics (Austria) contract continues with a complex NEXUS 360® installation and Citrix review clients across two clinics, comprising four routine recording stations and four ICM stations, with the potential to expand by a further 4-6 stations in FY27.

Support and Service

Service remains a meaningful and profitable revenue stream, encompassing training, remote and field service, and HL7 HIS integration projects. Customer retention continues to reflect alpha trace's established reputation for service reliability.

Regulatory

- EN ISO 13485 compliance with MDR inclusion was maintained.
- NeuroSpeed-EMG™ remains in the MDR certification pipeline. Notified body review of the technical file has been protracted; completion is expected within calendar 2026.

Innovation

Alpha trace® is in the final stages of a project to standardise the EEG archive in accordance with the recently published DICOM® standard for neurophysiology signal data, supported by internationally published research (Halford et al., Clin Neurophysiol, 2021 and 2023). Successful delivery would place Compumedics and alpha trace® at the forefront of data interoperability in neurophysiology — an increasingly decisive purchasing criterion for large hospital groups.

Products and FY27 Outlook

Somfit® Pro, Grael® 4K, Grael® LT, Grael® PSG, Okti®, Somté®, NEXUS 360® and Profusion® EEG and Sleep have all been placed in the local market alongside the NeuroSpeed range. The current order book stands at €108K with an FY27 project pipeline of approximately €366K. Alpha trace® will expand its installed base across Austria and Europe, finalise MDR certification for NeuroSpeed-EMG™, leverage DICOM® EEG archive standardisation, and broaden the reach of Compumedics' full portfolio into local and regional markets.

Alpha trace® Software

Okti® ambulatory EEG

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BUSINESS UNIT · COMPUMEDICS® ALPHA TRACE® (EQUITY ACCOUNTED, 50% CMP OWNERSHIP)

Alpha trace® — FY26 at a glance

A second consecutive year of profit, a stable Austrian base and a growing German franchise

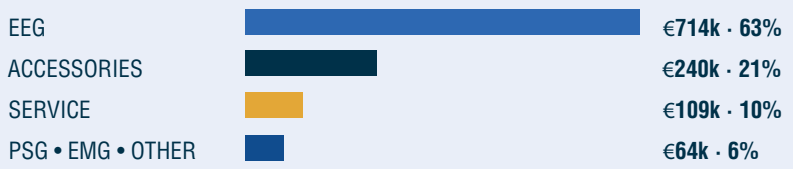
€1.13M
FY26 revenue
in line with FY25

€126K
Net profit, up 66%
FY25: €76k · net margin **11%**

201
active customers
hospitals and physicians in **Austria and Germany**

50%
CMP ownership
carried at **$0.67m**, no impairment · share of profit ~€63k

FY26 REVENUE MIX AND WHERE IT CAME FROM



Growth in Germany

- EU deliveries outside Austria reached **€419k**, close to 60% of EEG revenue
- Led by **ZfP Südwürttemberg** (€217k) and **kbo Kliniken München** (€87k); Median Klinik Wiesbaden added
- Austrian base deepened: Lienz, Amstetten, Wiener Neustadt, Kepler, KABEG, LKH Graz

Sources: alpha trace GmbH profit and loss 1 July 2025 to 30 June 2026; accounts receivable analysis FY26; Compumedics file note 7 September 2026

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Unlocking Compumedics' Capital Market Value Through Board Renewal

Despite delivering record FY26 performance, Compumedics remains significantly undervalued by the capital markets. At a share price of A$0.35 (20 February 2026) the Company had a market capitalisation of approximately A$70 million and an enterprise value of approximately A$81 million, equivalent to 1.3× FY26 revenue and 15.0× FY26 EBITDA. U.S.-listed diagnostic and monitoring medtech peers, among them ResMed, Masimo, iRhythm, Ceribell and TransMedics, trade at a median of 5.8× FY26 revenue, and high-quality medtech companies with market capitalisations under US$1 billion typically trade at 5-7× revenue (PAC Partners, March 2026).

Global market data underscores the scale of the opportunity:

- The **global home sleep testing market** is forecast to grow from US$1.4-1.5 billion in 2025 to around US$2.3 billion by 2030 (9.7% CAGR); the **clinical EEG market** from US$1.5-1.6 billion to around US$2.5 billion over the same period (10.2% CAGR) (PAC Partners; Precedence Research; Mordor Intelligence); and the **global MEG market** from US$326 million in 2025 to US$430 million by 2030 at a 5.7% CAGR.
- The **sleep disorder market** is forecast to grow from **US$27.6 billion in 2024** to nearly **US$79 billion by 2033**, at a **12% CAGR** (Precedence Research, 2024).
- The **U.S. home sleep testing market**, worth up to US$240 million a year, represents a US$100-200 million incremental SaaS revenue opportunity for Compumedics over the next two years (PAC Partners, March 2026).

Compumedics is strategically positioned in these markets through its **Somfit® SaaS home-sleep testing platform, NEXUS 360® SaaS enterprise solution**, and **OrionMEG® LifeSpan brain imaging systems**. Together with new emergent breakouts, these platforms not only drive operational growth but also underpin a compelling case for **capital market re-rating**.

PAC Partners' March 2026 valuation paper illustrates the scale of the opportunity. Applying U.S. peer revenue multiples to its FY28 revenue forecast of approximately A$96 million implies an equity value of around A$417 million at 4.5× (bear case), A$533 million at the 5.8× peer median (base case) and A$603 million at 6.5× (bull case): a pathway to a valuation in the A$400-600 million range as operational milestones are achieved, against approximately A$70 million. PAC Partners also notes that a U.S. listing could act as a catalyst for this re-rating. These are independent third-party estimates and are not Company forecasts or guidance.

For investors, this represents not just participation in a high-growth operating story, but the potential for a **capital markets recognition uplift** that could materially close the current valuation gap.

THE RE-RATING CASE IN NUMBERS · PAC PARTNERS, MARCH 2026

1.3x	5.8x	A$400-600m	+74%
EV / FY26 revenue today: share price A$0.35, market cap **~A$70m**, EV ~A$81m	U.S. peer median EV / revenue (ResMed, Masimo, iRhythm, Ceribell, TransMedics); **5-7×** typical under US$1b	PAC Partners valuation pathway: FY28 scenarios at 4.5×, 5.8× and 6.5×; a **U.S. listing** as a potential catalyst	FY26 EBITDA growth on revenue **+18.5%**; SaaS +70%; recurring revenue 30%

Independent third-party estimates, not Company forecasts or guidance.

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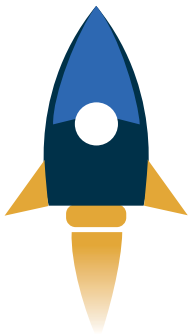
Summary, Outlook and Confidence

SUMMARY, OUTLOOK & CONFIDENCE

Growth trajectory — FY24 to FY26

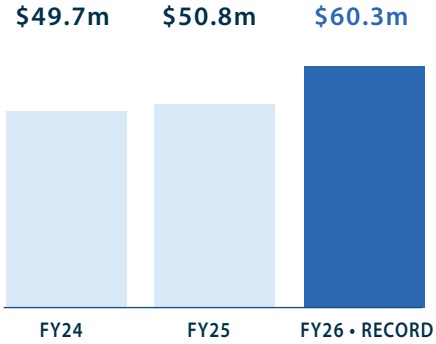
Record revenue, EBITDA growing almost four times faster than revenue, and the FY27 objective



FY27 OBJECTIVE

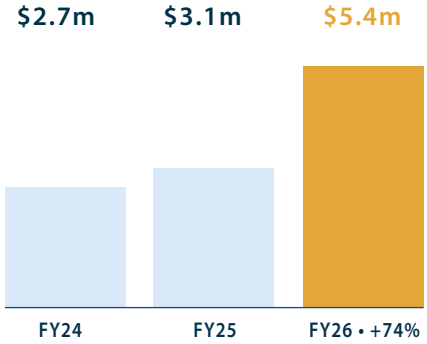
Double-digit revenue growth; EBITDA growing faster than revenue

Revenue ($m)



Up **18.5%** on FY25 and 21% on FY24; MEG, SaaS and consumables added $14.2m of growth

EBITDA ($m)



Margin **9%** (FY25: 6%); operating leverage plus the $2m cost program, while R&D investment increased

THE FY26 EXIT POSITION

$28.3M
open orders entering FY27
including **$13.1m** of MEG

+70%
Somfit® & NEXUS 360® SaaS
$10.2m, 17% of revenue

$6.6M
operating cash inflow
cash net of facility up **$6.7m** to $5.6m

30%
of revenue recurring
up from **27%** in FY25

Source: FY26 Preliminary Final Report; FY27 objective per Business Update, 25 August 2026 · A$

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FY26 was a record year for Compumedics. Revenue reached $60.3 million (+18.5%), EBITDA rose 74% to $5.4 million, the Company returned to a net profit of $0.3 million, and operating cash inflow improved to $6.6 million from $0.4 million. Somfit® and NEXUS 360® SaaS revenue grew 70% to $10.2 million, OrionMEG® contributed $9.7 million, and recurring revenue reached 30% of the total. Together with more than 1,000,000 cloud-based studies completed, these results demonstrate both the scale and durability of Compumedics' growth engines.

Looking ahead, the Company enters FY27 focused on delivering further double-digit revenue growth, with EBITDA growing at a faster rate than revenue. Growth is underpinned by $28.3 million of open orders, including $13.1 million of MEG, the continued scaling of Somfit® and NEXUS 360®, progress of Somfit® D toward commercial release in the United States, and the recovery of U.S. capital equipment sales under new commercial leadership. Margin recovery through pricing, supply chain efficiencies and product cost reductions will support EBITDA growth.

Importantly, the two initiatives launched in FY25 continued to progress during the year:

- **Unlocking Compumedics' Capital Market Value Through Board Renewal**, with the first of a series of Non-Executive Director appointments bringing deep expertise in U.S. MedTech, strategic transactions, and capital markets engagement.
- **Unlocking Value - Investor Opportunity Snapshot**, which highlights the Company's significant valuation gap versus peers and outlines the strategy to drive re-rating through growth delivery, investor engagement, and Board renewal.

These initiatives, combined with our record operating results, SaaS expansion, and strong regulatory and clinical positioning, provide a powerful foundation for sustainable growth. The balance sheet strengthened during the year, with cash net of the invoice facility and overdraft improving by $6.7 million to $5.6 million, providing flexibility for new market entries, innovation, and strategic partnerships, while prudent risk management continues to guide regulatory timing and global market dynamics.

With record achievements behind us, a revitalised Board actively shaping our next phase, and a clear pathway to both **operational and capital markets value realisation**, we remain confident in delivering sustained growth, stronger investor recognition, and long-term shareholder value.

FY26 reinforced Compumedics' strategic direction: anchored in our profitable core business, accelerated by our breakout innovations, and guided by disciplined investment. We are proud of the year's achievements and look forward to delivering even stronger results in FY27.

Thank you for your continued trust and support.

Yours sincerely,

Dr. David Burton, Ph.D.

Executive Chairman and Chief Executive Officer
Compumedics Limited

Compumedics Somfit® D

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Compumedics Core Product Ranges

Sleep Diagnostics

Compumedics Grael® - 4K HD and PSG

Compumedics Siesta®

Compumedics Falcon™ PSG

Compumedics Falcon™ HST

Compumedics Somfit & Somfit® Pro

Compumedics Somfit® D

Compumedics Somté® PSG

Compumedics Profusion™ Sleep Software

Compumedics Profusion ProDigi™ Software

Compumedics Profusion™ NeXus Software

DWL® Doppler Diagnostics

Multi-Dop® T digital

Doppler-Box™ X

Neuro Diagnostics (including Brain Research)

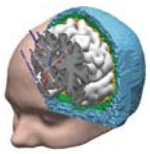
Compumedics Grael EEG® Neuroimaging Suite - 4K HD

Compumedics Okti® Portable LTM - EEG

Compumedics Grael LT®- HD EEG

Compumedics CORRiS® Cortical Stimulator

Compumedics Profusion™ EEG Software


Compumedics CURRY® Neuroimaging Suite

Compumedics Neuvo® LTM EEG

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

Compumedics Orion LifeSpan™ MEG

Quik-Cap® EEG Electrode Arrays

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Profusion Nexus® 360

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

The Nexus® 360 opportunity is highlighted here.

Compumedics' cloud based sleep diagnostic platform includes a professional application, Nexus® 360, and a consumer application, Somfit.® Nexus® 360 has grown to over 50 sites in the USA and Australia.

profusion neXUS™ 360

Laboratory Management System

A Revolution in Laboratory Management

Introducing Compumedics Profusion Nexus 360, the next generation of Profusion Nexus. Built on the proven Profusion Nexus platform with more than 16 years of customer use and thousands of users, Profusion Nexus 360 offers the full functionality of Profusion Nexus and more, in a fully web-based interface.

Profusion NeXus 360 Features:

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

Platform and Browser Independent

**Optimised for touch displays*

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Somfit® and Somfit® Pro

Somfit® and Somfit® pro are the next generation wearable devices for collecting patient's physiological data, primarily for use in assisting medical professionals to diagnose sleep disorders.

Somfit® and Somfit® Pro Systems

Somfit® - 4 Components, **Somfit® Pro** - 5 Components

A single-use adhesive-gel electrode
This is worn on the patient's forehead and collects the physiological data.

Consumable Revenue

The Somfit® device, which is pressed onto the electrode. The Somfit houses the sensors and transmits the data to the App via Bluetooth. Somfit can collect up to 12 hours of data.

The Respifit® device, which is located on the Thoracic belt, houses the ECG, airflow, chest movement and position body sensors and transmits the data to the App via Bluetooth.

Capital cost or build into SaaS fees

The Somfit® App
This is used to control the Somfit and to transmit the study data to be processed.

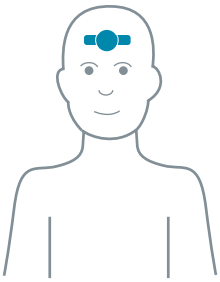
The Nexus 360®
cloud-based data management and reporting system.

Recurring SaaS fee to access

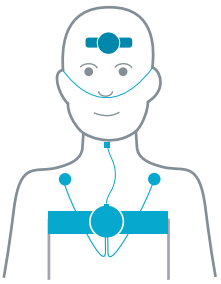
Small, simple to use and comfortable.

Ease of use and comfort were the main considerations in the design of the Somfit and Somfit pro.

- The Somfit system comprises of the Somfit device, a disposable adhesive electrode and a phone app.
- The Somfit pro system includes the Respifit device adding extra measures such as ECG, airflow and body position.



Somfit® device



Somfit® Pro device

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Somfit® and Somfit® Pro Commercial Activation

Somfit® Strategic Objective: The strategic objective for Somfit® is the use of its platform technology in a consumer environment providing actionable sleep health information and/or other interventions to improve patient health outcomes.

Somfit® Superior Value Proposition: Somfit® provides a more comfortable, convenient, and cost-effective way for people with sleep problems to assess and monitor their sleep-health.

Somfit® Key Market Opportunities Include:

5.0m
People suffering from sleep disorders in Australia, which includes sleep apnoea, insomnia, restless leg syndrome (RLS)

AUD35.4b
Total cost of sleep disorders in Australia (2021)
AUD13.1b sleep apnoea,
AUD13.3b insomnia,
AUD 9.0b RLS

60m
People suffering from some form of sleep disorders in the USA

USD94b
Direct healthcare costs (2021)

Somfit® Unique Selling Proposition:

- **Highly scalable:** quality health SaaS business model
- **Clinical grade at home device:** Light and comfortable for the patient while enabling collection of high-quality signals to provide medical-grade (reimbursable) data
- **Greater convenience:** At-home monitoring eliminates the need for patients to travel to a hospital or sleep clinic, which can be time-consuming and inconvenient
- **Reduced cost:** At-home monitoring is less expensive than hospital monitoring, as it eliminates the need for hospital.

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Orion LifeSpan® MEG - Further Innovation from Compumedics

What is MEG and what is it used for?

Advanced Magnetoencephalography (MEG) technology uses superconducting sensors to record the tiny magnetic fields created by the human brain. It is completely safe, non-invasive and silent. It can be used even on children with no side effects. The Orion LifeSpan™ capitalises on this by including a dedicated pediatric helmet, optimized for five-year-olds.

The primary clinical application of MEG is to detect activity from locations where epileptic seizures begin. This can help to accurately guide a resection surgery, resulting in a reduction or complete elimination of those seizures. MEG can also be used to precisely mark the location of sensory, language and motor functions. Knowledge of these locations is critical to the successful resection of a tumour or other lesion without subsequent mental impairment. Furthermore, researchers worldwide use MEG to study normal and developing brain function. They are developing exciting new diagnostic capabilities for many debilitating disorders.

Another emerging research application for MEG is hyperscanning. That is, the measurement of the brain signals from two subjects simultaneously while they interact with each other or are presented the same stimulation synchronously. The Orion LifeSpan™ is uniquely capable of MEG hyperscanning due to the dual helmet design. This is a key research topic for TJNU, TU and TJU. Each of these prestigious universities has, or will soon have, Compumedics MEG technology.

Key Features and Advantages

- 186 high-sensitivity sensors in a helmet-shaped array optimized for the average adult head size.
- 138 high-sensitivity sensors in a second helmet optimized for the average five-year-old.
- The system can rotate between adult and pediatric configurations, so no additional space is required for the installation over a traditional MEG.
- Alternatively, both helmets can be recorded for hyperscanning.
- Each sensor is equipped with an advanced Double Relaxation Oscillation SQUID (DROS) with significantly higher signal-to-noise ratio that traditional MEG sensors.
- Additional "reference" sensors monitor and subtract environmental magnetic interference, for example from moving metal objects and electrical lines.
- Up to 128 channels of integrated EEG utilizing SynAmps RT amplifiers.
- Fully integrated simulators for auditory, visual, electrical and motor response. All are controlled/monitored by the powerful STIM2 software.
- All acquisition and analysis functions are within the powerful CURRY Neuroimaging Suite.

Orion LifeSpan™

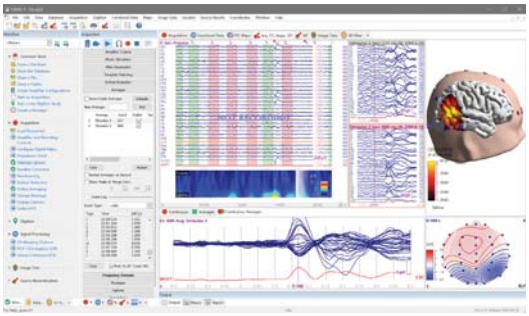
Patented Dual-Helmet Adult/Pediatric Dewar

Patented SQUID Sensing System

Fully Integrated EEG

Patented Zero-Loss Helium Recycling

Full CURRY Integration



Fully Integrated CURRY Software

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- Integrated, zero-loss, closed-loop, continuous helium recycler. Liquid helium is used to cool the superconducting sensors. The recycler reduces system operating costs by as much as $100,000 annually and eliminates weekly labour to refill helium. Continuous operation allows MEG system uptime 24/7.
- Sampling Frequency of up to 10,000 measurements per second, to record even the most fleeting of brain signals.
- Full video recording integration for simultaneous study of symptoms and brain activity.
- Compumedics works with world-class suppliers of shielding to provide a magnetically quiet recording environment.

Full CURRY® Integration

The CURRY® Neuroimaging platform is universally known as the gold standard for MEG/EEG data processing. One of the key benefits of CURRY® is its ability to integrate the high-temporal resolution functional measures of MEG and EEG with anatomical/structural/metabolic neuroimaging data such as MRI, CT, DTI, PET, SPECT and fMRI. CURRY® is the de-facto software platform for clinical MEG community, particularly those assessing epilepsy. It has US FDA certification, CE Mark and other regulatory approvals for immediate clinical use at hospitals, but is also well regarded by the neuroscience research community.

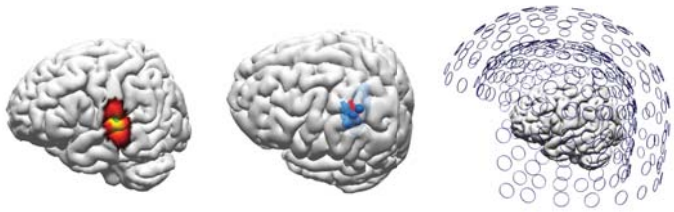
CURRY® is fully imbedded in the Orion LifeSpan™ hardware platform, including MEG/EEG acquisition, visualisation, review, analysis, source modelling and multi-modal integration.

FY26 Highlights

- MEG revenue of $9.7m, following nil in FY25.
- MEG sales orders of $8.5m, up 44%, with an order book of approximately $13.1m entering FY27.
- New dual-helmet Orion LifeSpan™ orders received from Beijing Normal University and Shandong Normal University.
- The first seated-position system shipped to Tsinghua University, giving customers a choice of seated or supine measurement.
- The Korean MEG manufacturing facility relocated to a larger site, including a magnetically shielded room for system integration and testing, with capacity increased to three systems per year.

FY27 Plan

- Progress scheduled deliveries under existing contracts, supported by the expanded manufacturing capacity.
- Secure further orders in China and develop sales channels in the United States.
- Advance noise-cancellation algorithms and CURRY® enhancements for hyperscanning and analytics.



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

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

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

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

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

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

Mr. David Lawson
Executive Director

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

Mr. Rod North
Non-Executive Director

Mr Rod North has been working in the financial services & corporate sector for 31 years, having held leading roles in share broking, investment and funds management and provided investor relations, media & PR services to a large range of ASX listed companies over the past 18 years. He has extensive experience in company analysis and financial management. He has served on a number of investment committees in funds management. He has also acted in high-level corporate advisory roles to private and public companies at senior executive and board level, advising on capital raisings, communication and investor relations strategies.

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

David Lawson
Executive Director,
Chief Financial Officer
& Company Secretary

Dr. Dieter Grossegger, Ph.D.
Compumedics alpha trace

Warwick Freeman
Chief Technology Officer

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Annual Report

for the year ended 30 June 2026

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Corporate Information

This annual report covers Compumedics Limited as a consolidated entity comprising Compumedics Limited and its subsidiaries. The Group's functional and presentation currency is AUD ($).

A description of the Group's operations and its principal activities is included in the review of operations and activities in the directors' report on pages 2 to 15. The directors' report is not part of the financial report.

Directors	Dr. David Burton Mr. David Lawson Mr. Rod North Mr. Christopher Barys (Appointed 22 September 2025, Resigned 30 June 2026)
Company secretary	Mr. David Lawson
Executive team	**Executive Chairman, CEO** David Burton **Executive Director and CFO** David Lawson **Chief Technology Officer** Warwick Freeman
Notice of annual general meeting	The Annual General Meeting of Compumedics Limited **will be held at** Compumedics Limited 30-40 Flockhart Street Abbotsford VIC 3067 **time** 10.30am **date** **29 October 2026**
Principal registered office in Australia	30-40 Flockhart Street Abbotsford VIC 3067 Telephone: (03) 8420 7300
Share register	Automic Pty Ltd Level 12 575 Bourke Street Melbourne VIC 3000 Phone: Local: 1300 288 664 Phone: International: +61 2 9698 5414
Auditor	Nexia Melbourne Audit Pty Ltd Level 16 600 Bourke Street Melbourne VIC 3000
Stock exchange listings	Compumedics Limited shares are listed on the Australian Stock Exchange. Compumedics' ASX code is CMP.
Website address	www.compumedics.com.au

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Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Compumedics Limited and the entities it controlled at the end of, or during, the year ended 30 June 2026.

The following persons were directors of Compumedics Limited during the whole of the financial year and up to the date of this report unless otherwise stated:

Dr. David Burton
Mr. David Lawson
Mr. Rod North
Mr. Christopher Barys (Appointed 22 September 2025, Resigned 30 June 2026)

Principal activities

During the year the principal continuing activities of the Group were the research, development, manufacture and distribution of medical equipment and associated technologies. There have been no significant changes in the operation of the Group during the year.

Dividends

The directors have not declared a dividend in the current financial year (2025: nil).

Review of operations

Information on the operations and financial position of the Group and its business strategies and prospects and a summary of consolidated revenue and results by operating segments are set out below:

	Total Revenue		Segment Results	
	2026 $000	2025 $000	2026 $000	2025 $000
USA	16,362	17,635	(992)	(3,892)
Australia and Asia Pacific	36,497	22,435	6,995	6,804
Europe	7,395	10,759	(566)	208
Total continuing operations	60,254	50,829	**5,437**	**3,120**
Depreciation and amortisation			(2,234)	(2,246)
Finance costs			(1,508)	(1,285)
Profit/(loss) before income tax expense			1,695	(411)
Income tax expense			(1,442)	(857)
Profit / (loss) for the year			**253**	**(1,268)**

Comments on the operations and the results of those operations

FY26 marked a material step-up in Compumedics' financial performance. The Group delivered record revenue of $60.3 million, an increase of 18.5% on FY25, EBITDA of $5.4 million, up 74.3%, and returned to profitability with NPAT of $0.3 million compared with a loss of $1.3 million in the prior year. EBITDA margin increased to approximately 9% from 6%.

Revenue growth was led by the successful execution of magnetoencephalography (MEG) projects, continued scaling of Somfit and Nexus 360 and strong performance across Asia Pacific. MEG contributed $9.7 million of FY26 revenue compared with nil in FY25, while Somfit and Nexus 360 SaaS revenue increased 70% to $10.2 million. Asia Pacific external revenue increased 63% to $36.5 million.

FY26 sales orders were $62.7 million, slightly below the prior year overall, with strong growth in key strategic platforms. Somfit and Nexus 360 orders increased 58% and MEG orders increased 44%, partly offsetting lower orders across traditional capital equipment categories.

The Group's revenue mix continued to evolve toward connected, recurring and high-value technology platforms. This provides a stronger base for future growth, although capital equipment conversion in the United States and Europe and continued margin improvement remain important priorities.

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Gross margin was 51% compared with 55% in FY25, reflecting the increased weighting of lower-margin MEG revenue, together with tariffs and input cost pressures. This was partly offset by operating leverage from higher revenue and disciplined expenditure management.

The previously announced $2 million cost savings program was delivered during FY26 through organisational efficiencies, tighter expenditure management and the reset of the U.S. commercial structure. Sales and marketing expenditure reduced by $3.4 million to $14.7 million.

The Group generated net operating cash flow of $6.6 million compared with $0.4 million in FY25 and finished the year with net cash of $5.6 million compared with net debt of $1.0 million at 30 June 2025.

Operating and Financial Review

Finance

The Group's financial position strengthened during FY26, supported by improved earnings, substantially higher operating cash generation and continued working capital discipline.

Net cash inflow from operating activities increased to $6.6 million from $0.4 million in FY25. Cash assets at 30 June 2026 were $6.1 million compared with $2.7 million at the prior year end, while the Group's reported net cash position improved by approximately $6.7 million to $5.6 million.

Trade and other receivables reduced to $13.0 million from $14.9 million and inventories reduced to $13.7 million from $14.7 million. Net assets increased to $22.7 million from $21.7 million.

The stronger cash and balance sheet position provides an improved financial platform entering FY27. Management remains focused on disciplined working capital management, including conversion of the order book into billings and collections, inventory optimisation and maintaining appropriate liquidity headroom to support the Group's growth platforms.

Operations

Compumedics continued to invest strategically in research and development across its core sleep, neurodiagnostic, MEG and blood-flow monitoring technology platforms.

Reported R&D expense increased to $4.8 million from $1.3 million in FY25. This reflected continued development activity across priority product platforms together with a greater proportion of development expenditure being recognised as incurred during FY26.

Commercial execution of the Group's technology portfolio advanced during the year. MEG generated $9.7 million of revenue and demonstrated Compumedics' capability to manufacture, deliver and commercialise complex, high-value neuro-imaging systems. The Group entered FY27 with approximately $13.1 million of MEG open orders.

Compumedics' connected sleep platforms also continued to scale. Somfit and Nexus 360 SaaS revenue increased 70% to $10.2 million, driven by continued adoption across the United States and Asia. Development and commercial readiness activities for Somfit D continued during FY26, with manufacturing commitments in place as the Company progresses toward commercial release in the United States.

Management maintained a strong focus on operating efficiency throughout FY26. The $2 million cost savings program announced in the prior year was delivered, while additional actions were taken to improve commercial productivity, particularly through the reset of the U.S. sales structure. The Group continues to pursue margin improvement through pricing, supply-chain efficiencies, product cost reductions and broader overhead discipline.

Strengthened Sales and Marketing

The Group continued to develop its global commercial strategy during FY26, with performance varying by region and a greater contribution from MEG and connected sleep technologies.

(a) Americas
Americas revenue was $16.4 million compared with $17.6 million in FY25.

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Strong growth in Somfit and other connected sleep revenues partly offset lower capital equipment invoicing across Sleep, EEG and Neuroscan. Performance was also affected by the cyber incident during the year and slower conversion of the capital equipment pipeline.

Management undertook a reset of the U.S. commercial structure during FY26, including targeted staffing changes, clearer sales accountability and tighter expenditure management. The U.S. remains a strategically important market for Compumedics, particularly across Somfit, Nexus 360, sleep diagnostics, neuro monitoring and clinical research.

The focus entering FY27 is on translating the revised commercial structure and existing pipeline into stronger revenue conversion, margin and cash performance while progressing Somfit D toward commercial release.

(b) Australia and Asia Pacific
Australia and Asia Pacific delivered external revenue of $36.5 million, an increase of 63% from $22.4 million in FY25 and was the principal contributor to Group revenue growth.

The result was led by successful MEG deliveries together with increased revenue across connected sleep and neurodiagnostic products. MEG contributed $9.7 million of revenue during FY26, demonstrating the commercial progression of Compumedics' neuro-imaging platform.

Asia Pacific continues to represent an important strategic growth region for the Group, supported by established customer relationships, distribution channels and demand across sleep, Somfit, neurodiagnostics and MEG.

(c) Europe and Middle East
Europe and Middle East revenue was $7.4 million compared with $10.8 million in FY25.

The reduction reflected lower capital equipment and DWL revenue and the timing of larger projects, partly offset by improved performance across selected sleep and EEG markets.

Management remains focused on improving distributor productivity, capital equipment conversion and the financial performance of the Group's European operations, while maintaining tight control over costs and margins.

Connected and recurring platforms

Compumedics' connected sleep platforms continued to increase their contribution to Group revenue during FY26. Somfit and Nexus 360 SaaS revenue increased 70% to $10.2 million, reflecting continued adoption across the United States and Asia.

Recurring Consumables and Customer Care revenue also increased to $8.1 million, supported by the Group's installed base and continued demand for service, support and supplies.

The growing contribution from SaaS, services and consumables provides greater revenue visibility and complements the Group's traditional capital equipment businesses.

Breakout Medical Innovations

Compumedics Medical Innovation continued to progress selected technology platforms that complement the Group's core sleep, neurodiagnostic, brain imaging and blood-flow monitoring businesses.

Development activity during FY26 remained focused on technologies capable of extending Compumedics' addressable markets, supporting new clinical applications and strengthening the Group's differentiated technology portfolio.

Commercialisation of these initiatives will continue to be progressed in a disciplined manner, with investment aligned to technical validation, regulatory requirements, customer demand and the potential to generate sustainable commercial returns.

Summary

The Group remains focused on the following key priorities:

- Continuing to scale Somfit, Nexus 360 and recurring revenue platforms, while progressing Somfit D toward commercial release in the United States.

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- Improving commercial execution in the United States and Europe, including translating the U.S. commercial reset into stronger sales conversion, margin and cash performance.
- Maintaining disciplined cost and margin management, including pricing actions, supply-chain efficiencies, product cost reductions and broader overhead discipline.
- Continuing the global commercialisation of the Group's differentiated sleep, neurodiagnostic, MEG and blood-flow technologies, supported by targeted investment in priority product platforms.

Compumedics enters FY27 from a stronger financial position, with record FY26 revenue, materially higher EBITDA, positive operating cash flow, an expanding connected and recurring revenue base and a substantial order book.

Likely Developments and Expected Results

The Group will focus during FY27 on building on the improvement achieved in FY26 and converting its existing commercial opportunities into sustainable revenue, earnings and cash growth.

Particular attention will be directed toward execution of the MEG order book, continued scaling of Somfit and Nexus 360 recurring revenues, progression of Somfit D toward commercial release in the United States and improving capital equipment conversion across the United States and Europe.

Management will also continue initiatives directed at improving gross margin, including pricing actions to recover tariff and input cost impacts, supply-chain efficiencies, product cost reductions and broader operating discipline.

Compumedics enters FY27 focused on delivering further double-digit revenue growth, with EBITDA growth at a faster rate than revenue.

Significant Changes in State of Affairs

There have been no significant changes in the state of affairs of the Group during the financial year other than those disclosed elsewhere in this report.

Matters Subsequent to the End of the Financial Year

The Directors are not aware of any matters or circumstances arising since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Environmental Regulation

The Group is not subject to significant environmental regulation in respect of its activities.

Information on directors

Dr. David Burton, Chairman and Chief Executive Officer

Experience and expertise
Founder and major shareholder through related entity. He was awarded an Associate Diploma in Engineering (Electronics) by the Royal Melbourne Institute of Technology and a Ph.D. (Eng. Sc.) by Monash University, Melbourne (Australia). Dr. Burton's engineering background includes the design and project management of the Compumedics' first sleep laboratory and portable sleep systems. Dr. Burton has authored fifteen patents or patent applications that form part of Compumedics' key intellectual property. Extensive experience in the development, design, manufacture and sale of medical devices and the development of the business.

Other current directorships
D & DJ Burton Holdings Pty Ltd
Intellirad Pty Ltd
Electro Molecular Pty Ltd

Former directorships in last 3 years
None

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Special responsibilities
Chairman of the Board
Member of Remuneration Committee
Member of Audit Committee

Interests in shares and options through related entities
98,222,891 ordinary shares in Compumedics Limited
Nil options over ordinary shares in Compumedics Limited

Mr David Lawson, Executive Director and Chief Financial Officer

Experience and expertise
Has a Bachelor of Commerce from Melbourne University and is a Member of Chartered Accountants Australia and New Zealand. He has extensive experience in the development of the Compumedics business over the last 27 years and prior to that held a number of management positions with another listed public entity.

Other current directorships
None

Former directorships in last 3 years
None

Special responsibilities
Member of the Remuneration Committee
Member of the Audit Committee

Interests in shares and options
3,470,724 ordinary shares in Compumedics Limited

Mr Rod North, Non-Executive Director

Experience and expertise
Rod North has been working in the financial services & corporate sector for over 30 years, having held leading roles in share broking, investment and funds management and provided investor relations, media & PR services to a large range of ASX listed companies over the past 20 years. He has extensive experience in company analysis and financial management. He has served on several investment committees in funds management. He has also acted in high-level corporate advisory roles to private and public companies at senior executive and board level, advising on capital raisings, communication, and investor relations strategies.

Other current directorships
Bourse Communications Pty Ltd

Former directorships in last 3 years
None

Special responsibilities
Member of the Audit Committee
Member of the Remuneration Committee

Interests in shares and options
2,000 ordinary shares in Compumedics Limited

Mr Christopher R. Barys, Non-Executive Director (Appointed 22 September 2025, Resigned 30 June 2026)

Experience and expertise
Christopher Barys is a U.S. MedTech executive with more than 30 years of leadership at Johnson & Johnson, Medtronic, Edwards Lifesciences, Philips Healthcare, and as CEO of On Target Laboratories. He has extensive experience in scaling global businesses, securing FDA approvals, executing strategic M&A, and building commercial franchises, with a focus on U.S. market expansion.
Other current directorships
None

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Former directorships in last 3 years
On Target Laboratories, Inc.

Special responsibilities
Non-Executive Director

Interests in shares and options
Nil ordinary shares in Compumedics Limited
Nil options over ordinary shares in Compumedics Limited

Company secretary

The Company secretary is Mr. David Lawson, Chartered Accountant. Mr. Lawson was appointed to the position of Company Secretary in 2000. Mr. Lawson has a Bachelor of Commerce from Melbourne University and is a Member of Chartered Accountants Australia and New Zealand.

Meetings of directors

The numbers of meetings of the Company's Board of directors and of each Board committee held during the year ended 30 June 2026 and the numbers of meetings attended by each director were:

			Meetings of committees			
	Full meetings of directors		Audit		Remuneration	
	A	B	A	B	A	B
Dr. David Burton	8	8	2	2	1	1
Mr. David Lawson	8	8	2	2	1	1
Mr. Rod North	8	8	2	2	1	1
Mr. Christopher Barys	7	7	2	2	1	1

A – Number of meetings attended
B – Number of meetings held during the time the director held office or was a member of the committee during the year

Remuneration report (audited)

The remuneration report is set out under the following main headings:
A. Principles used to determine the nature and amount of remuneration
B. Details of remuneration
C. Service agreements
D. Share-based compensation
E. Additional information

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

A Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management

The Group has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation. The Board is satisfied remuneration recommendations are made free from undue influence by the members of the key management personnel.
Alignment to shareholders' interests:

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- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price
- delivering constant return on assets as well as focusing the executive on key non-financial drivers of value
- attracts and retains high calibre executives

Alignment to program participants' interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards
- provides recognition for contribution

The framework provides a mix of fixed and variable pay, and a blend of short and long-term incentives. As executives gain seniority with the group, the balance of this mix shifts to a higher proportion of "at risk" rewards.

The Board has established a remuneration committee, which provides advice on remuneration and incentive policies and practices and specific recommendations on remuneration packages and other terms of employment for executive directors, other senior executives and non-executive directors. The Corporate Governance Statement provides further information on the role of this committee.

Non-executive directors

Fees and payments to non-executive directors reflect the demands, which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board. The Chairman's fees are determined independently to the fees of non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

Non-executive directors do not receive share options.

Directors' fees
The current base remuneration was last reviewed with effect from 1 July 2025. The Chairman's remuneration is inclusive of committee fees while other non-executive directors who chair a committee receive additional yearly fees.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $250,000 total pool per annum.

The following fees have been applied:

	From 1 July 2025 to 30 June 2026 $	From 1 July 2024 to 30 June 2025 $
Base fees		
Chairman	50,000	50,000
Other non-executive directors	30,000	30,000
Executive directors	30,000	30,000
Additional Fees		
Audit committee – chairman	5,000	5,000
Audit committee – member	2,500	2,500
Remuneration committee – chairman	5,000	5,000
Remuneration committee – member	2,500	2,500

David Burton and Rod North received base fees only during the year and did not receive any additional fees.

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Executive pay

The executive pay and reward framework has 5 components:

- Base pay and benefits
- Short-term performance incentives
- Long-term incentives through participation in the Compumedics Limited Employee Option Plan
- Other remuneration such as superannuation, and
- Long-term equity linked incentive program specifically for the head of the Medical Innovations Division.

The combination of these comprises the executive's total remuneration.

Base pay

Structured as a total employment cost package, which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

Benefits

Executives may receive benefits including health insurance, car allowances, other expense reimbursements and tax advisory services.

Superannuation

Retirement benefits are currently limited to the statutory rate of superannuation but are not capped based on salary. Executives may elect to make further salary sacrifice additions to superannuation funds of their choice, up to the allowable limits prescribed.

Short-term incentives

Should the Group achieve a pre-determined profit target set by the remuneration committee a pool of short-term incentive (STI) is available to executives during the annual review. Using a profit target ensures variable award is only available when value has been created for shareholders and when profit is consistent with the business plan. The incentive pool is leveraged for performance above the threshold to provide an incentive for executive out-performance.

Each executive has a target STI opportunity depending on the accountabilities of the role and impact on the organisation or business unit performance. The maximum target bonus opportunity can be up to 60% of base pay, as determined by the remuneration committee each year.

Each year, the remuneration committee considers the appropriate targets and key performance indicators (KPIs) to link the STI plan and the level of payout if targets are met. This includes setting any maximum payout under the STI plan, and minimum levels of performance to trigger payment of STI.

For the year ended 30 June 2026, the KPIs linked to short-term incentive plans were based on Group, individual business and personal objectives. KPIs are set according to the individual responsibilities of each member of the executive team.

Each year the remuneration committee considers the appropriate targets and key performance indicators (KPI's) to link the Short-Term Incentive (STI) plan and the level of payout if targets are met. This includes setting any maximum payout under the STI plan and minimum levels of performance to trigger payment of STI.

The short-term bonus payments may be adjusted up or down in line with under or over achievement against the target performance levels. This is at the discretion of the remuneration committee.

The STI target payment is assessed by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) following the end of each financial year and any payments due are recommended to the remuneration committee for authorisation. The CEO and CFO recommend STI targets for the following year for key executives, which are put to the remuneration committee for review and authorisation annually.

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Long-term incentives
The Group has instigated a long-term incentive program for one executive. At 30 June 2026 no other long-term incentive plans were in place for any other Director or key management personnel. Any instigation of a long-term incentive program for any other executive of the Group will be determined by and authorised by the remuneration committee and the remuneration committee will assess subsequent performance.

Medical Innovation Long Term Performance Plan (MI-LTPP)
The Group has formalised and gained approval at the 2009 and 2014 annual general meetings for the MI-LTPP for the head of the Medical Innovations Division ("Division Head"), who is currently the Executive Chairman. The rationale of the MI-LTPP is to reward the Division Head where future commercial projects are met on the following criteria:

1. The future commercial project is based on innovative, novel and patentable technology;
2. The patented technology is supplementary to, but consistent with, the ongoing businesses of Compumedics Limited; and
3. There is significant risk attached to the development of the intellectual property or technology and the commercialisation thereof.

On the basis that these 3 criteria exist, and, determined by the Remuneration Committee, a commercial project will be eligible for inclusion under the MI-LTPP. At 30 June 2026 the Remuneration Committee has approved several projects that are eligible under the MI-LTPP subject to the parameters discussed below.

The parameters of the MI-LTPP include that the Division Head will be entitled to an incremental 8% equity in any subsidiary entities of the Group that develop projects that meet all of criteria 1 to 3. The 8% equity will only deliver value to the Divisional Head where value is created for the whole Group, in which case the Group receives 92% of the incremental value created.

The entitlement will be calculated after repayment of any initial costs of establishment or development costs outlaid by Compumedics. The Directors have sought and gained expert advice that the entitlements under the plan form part of remuneration for the purposes of accounting standards and are fair and reasonable, having regard to relevant circumstances.

The Board recommended to shareholders and the shareholders approved, at the 2014 AGM, the 8% equity be issued to the Division Head. As a result, 8% of the issued capital of Compumedics Medical Innovation Pty Ltd was issued to David Burton, late October 2014.

Compumedics Employee Option Plan
Information on the Compumedics Option Plan is set out in section D and note 30 to the Financial Statements. There are no share-based payments for the year ended 30 June 2026.

Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors and the key management personnel (as defined in AASB 124 Related Party Disclosures) of Compumedics Group are set out in the following tables.

The key management personnel of the Group are the directors of Compumedics Limited (see pages 4 to 7 above) and those executives that report directly to the Chief Executive Officer being:

- Warwick Freeman, Chief Technology Officer

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Remuneration of key management personnel and other executives of the Group

2026	Short-term benefits			Post-employment benefits		Long term benefits	Share based payments	
Name	Cash salary and fees $	Cash bonus $	Non-monetary benefits $	Super-annuation $	Retirement benefits $	Long service leave $	Options $	Total $
Non-executive directors								
Rod North	30,000	-	-	-	-	-	-	30,000
Christopher Barys [1]	56,173	-	-	-	-	-	-	56,173
Sub-total non-executive directors	**86,173**	**-**	**-**	**-**	**-**	**-**	**-**	**86,173**
Executive Chairman								
David Burton	50,000	-	-	6,000	-	-	-	56,000
Executive Director & CEO								
David Burton	189,694	-	-	22,763	-	6,992	-	219,449
Executive Director								
David Lawson	35,000	-	-	4,200	-	-	-	39,200
Executive Director & CFO								
David Lawson	341,853	-	-	35,262	-	16,579	-	393,694
Other key management personnel								
Warwick Freeman	318,221	-	-	33,985	-	15,168	-	367,374
Total key management personnel compensation	**1,020,941**	**-**	**-**	**102,210**	**-**	**38,739**	**-**	**1,161,890**

[1] Christopher Barys was appointed on 22 September 2025 and resigned on 30 June 2026; his remuneration comprises directors' fees of USD38,000, translated to Australian dollars at the exchange rates applicable when each invoice was recognised.

2025	Short-term benefits			Post-employment benefits		Long term benefits	Share based payments	
Name	Cash salary and fees $	Cash bonus $	Non-monetary benefits $	Super-annuation $	Retirement benefits $	Long service leave $	Options $	Total $
Non-executive directors								
Rod North	30,000		-	-	-	-	-	30,000
Sub-total non-executive directors	**30,000**	**-**	**-**	**-**	**-**	**-**	**-**	**30,000**
Executive Chairman								
David Burton	50,000	-	-	5,750	-	-	-	55,750
Executive Director & CEO								
David Burton	178,280	-	-	20,502	-	-	-	198,782
Executive Director								
David Lawson	35,000	-	-	4,025	-	-	-	39,025
Executive Director & CFO								
David Lawson	326,768	-	-	32,058	-	9,726	-	368,552
Other key management personnel								
Warwick Freeman	305,229	-	-	31,075	-	8,622	-	344,926
Christoph Witte	228,479	-	-	2,063	-	-	-	230,542
Total key management personnel compensation	**1,153,756**	**-**	**-**	**95,473**	**-**	**18,348**	**-**	**1,267,577**

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The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed Remuneration		At risk – STI		At risk - LTI	
	2026 %	2025 %	2026 %	2025 %	2026 %	2025 %
Directors of Compumedics Limited						
David Burton	100	100	-	-	-	-
David Lawson	100	100	-	-	-	-
Rod North	100	100				
Christopher Barys	100	-	-	-	-	-
Other key management personnel of Compumedics						
Warwick Freeman	100	100	-	-	-	-

The table below identifies for each cash bonus and grant of options included in the tables on page 10, the percentage of the available bonus or grant that was paid, or that vested, in the financial year, and the percentage that was forfeited because the person did not meet the service and performance criteria set. No other cash bonus targets were set for any other executive of the Group for the year ended 30 June 2026. As such no other executive was eligible for a cash bonus and as a consequence did not forfeit a cash bonus.

Name	Cash bonus	
	Paid %	Forfeited %
David Burton	**N/A**	N/A
David Lawson	**N/A**	N/A

C Service agreements

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of the director.

Remuneration and other terms of employment for the Chief Financial Officer and the other key management personnel are also formalised in service agreements. Each of these agreements provide for the provision of performance-related cash bonuses, other benefits including health insurance, car allowances and tax advisory services, and other benefits set out below.

All contracts with executives may be terminated early by either party, subject to termination payments, as detailed below.

David Burton, Chief Executive Officer/Chairman

- Fee for services provided for the year ended 30 June 2026 of $219,449 (2025: $198,782) to be reviewed annually by the remuneration committee. Director's fees of $56,000 were also paid (2025: $55,750). David Burton is also entitled to participate in the Medical Innovation Long Term Performance Plan as approved at the 2009 and 2014 Annual General Meetings.
- D & DJ Burton Holdings Pty Ltd a Company associated with D. Burton receives licence fees, described in Note 31.
- Performance bonus: No performance bonus was paid during the financial year. (2025: NIL).
- Review of last salary and fees - 1 July 2025
- David Burton has a formal Employment Contract, which covers the above terms, amongst other items, including a twelve-month notice period.

David Lawson, Executive Director, Chief Financial Officer/Company Secretary

- Base salary inclusive of superannuation, for the year ended 30 June 2026 of $393,694 (2025: $368,552), to be reviewed annually by the remuneration committee. Director's fees of $39,200 were also paid (2025: $39,025).
- Performance bonus: No performance bonus was granted or paid during the financial year. (2025: NIL)
- Review of last salary - 1 July 2025
- The service agreement takes the form of a letter of offer, which incorporates Compumedics standard conditions of employment, which includes a twelve-month termination notice period, amongst other statutory conditions.

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Warwick Freeman, Chief Technology Officer

- Base salary inclusive of superannuation, for the year ended 30 June 2026 of $367,374 (2025: $344,926), to be reviewed annually by the remuneration committee.
- Review of last salary – 1 July 2025
- The service agreement takes the form of a letter of offer, which incorporates Compumedics standard conditions of employment, which includes a twelve-month termination notice period, amongst other basic statutory conditions.

D Share-based compensation

The establishment of the Compumedics Limited Employee Option Plan was approved by shareholders immediately prior to the listing of the Company in December 2000. All staff are eligible to participate in the plan. Options are typically granted under the plan for no consideration except when options are issued in lieu of a cash bonus as noted below. Options are granted for a five-year period and each new tranche vests is exercisable on the following basis:

(i) 20% of each new tranche vests and is exercisable at the 1st anniversary date of the grant
(ii) 30% of each new tranche vests and is exercisable at the 2nd anniversary date of the grant
(iii) 50% of each new tranche vests and is exercisable at the 3rd anniversary date into one ordinary share of the Company.

The exercise price of the options is based on the closing price at which the Company's shares are traded on the Australian Securities Exchange on the day prior to the grant.

Where options have been taken in lieu of a cash bonus the vesting period does not apply, and the exercise price is 1 cent per share. The number of options issued is calculated by dividing the cash bonus available by the average share price for the 5 trading days prior to the granting of the options taken in lieu of the cash bonus.

The Group did not have any share-based payments in the full year ended 30 June 2026. Unissued ordinary shares in Compumedics Limited under option at the date of this report held by directors are Nil.

E Additional information

Loans to directors and executives

There are no current loans to directors and executives.

Shares under option

There were no unissued ordinary shares of Compumedics Limited under option at the date of this report. No options expired during the financial year ended 30 June 2026 (2025: NIL).

There were no new options issued during the year.

(This concludes the remuneration report, which has been audited)

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Group performance

Basic earnings per share improved to 0.1 cents in FY26 (FY25: loss of 0.7 cents per share), reflecting the Group's return to net profit, record shipped and invoiced revenue and materially higher EBITDA. The result was driven by successful MEG system execution, continued scaling of the Somfit and Nexus 360 connected sleep platforms and disciplined cost management, establishing a stronger platform for growth into FY27.

Insurance of officers

During the financial year, Compumedics Limited paid premiums of $49,500 to insure the Directors and Secretary of the Company and its Australian-based controlled entities, and the Executives and other senior managers of each of the divisions of the Group.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001.*

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to Nexia Melbourne Pty Ltd, a related practice of the auditor, for non-audit services provided during the year are set out below.

The Board of directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2026 $'000	2025 $'000
Non-audit services		
Taxation services		
Tax compliance services	65,000	62,000
Total remuneration for taxation services	**65,000**	**62,000**

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Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 16.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor

Nexia Melbourne Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001.*

This report is made in accordance with a resolution of directors.

David Burton
Director

Melbourne
30 September 2026

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To the Board of Directors of Compumedics Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead auditor for the audit of the financial statements of Compumedics Limited for the financial year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Nexia

Nexia Melbourne Audit Pty Ltd
Melbourne

Chapman Wan
Director

Dated this 30th day of September 2026

Advisory. Tax. Audit.

Registered Audit Company 291969

Nexia Melbourne Audit Pty Ltd (ABN 86 005 105 975) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com. au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited by a scheme approved under Professional Standards Legislation.

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Financial Statements – 30 June 2026

This financial report covers consolidated financial statements for the consolidated entity consisting of Compumedics Limited and its subsidiaries. The financial report is presented in the Australian currency and all values are rounded to the nearest thousand dollars ($000) unless otherwise stated.

Compumedics Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Compumedics Limited
30-40 Flockhart Street
Abbotsford VIC 3067
Australia

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations and activities on pages 2 - 3 in the directors' report, which is not part of this financial report.

The financial report was authorised for issue by the directors on 30 September 2026. The Company has the power to amend and reissue the financial report.

Using the Internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial reports and other information are available to our investors on our website: www.compumedics.com.au.

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

	Notes	Consolidated 2026 $'000	2025 $'000
Revenue			
Sale of goods and services	5	60,254	50,829
		60,254	**50,829**
Other income	6	1,623	211
Expenses			
Cost of sales		(29,240)	(22,911)
Administration		(9,772)	(7,867)
Sales and marketing		(14,670)	(18,024)
Research and development	7	(4,754)	(1,342)
Finance costs	7	(1,508)	(1,285)
Net foreign exchange loss	7	(238)	(22)
Profit/(loss) before income tax		**1,695**	**(411)**
Income tax expense	8	(1,442)	(857)
Net profit / (loss) for the year		**253**	**(1,268)**
Other comprehensive income: *Items that will be reclassified subsequently to profit and loss when specific conditions are met.*			
Foreign currency translation		(1,215)	974
Other comprehensive income/(loss) for the year		(1,215)	974
Tax impact of other comprehensive income/(loss)		-	-
Total comprehensive income/(loss) for the year		**(962)**	**(294)**
Profit/(loss) is attributable to:			
Equity holders of Compumedics Limited		**253**	**(1,268)**
Total comprehensive income/(loss) for the year is attributable to:			
Equity holders of Compumedics Limited		**(962)**	**(294)**
Earnings/(loss) per share for profit/(loss) attributable to the ordinary equity holders of the Company:		**Cents**	**Cents**
Basic earnings / (loss) per share	36	0.1	(0.7)
Diluted earnings / (loss) per share	36	0.1	(0.7)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

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Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	Consolidated 2026 $'000	2025 $'000
ASSETS			
Current assets			
Cash and cash equivalents	9	6,146	2,690
Trade and other receivables	10	12,970	14,876
Inventories	11	13,691	14,656
Other assets	12	1,826	2,994
Total current assets		**34,633**	**35,216**
Non-current assets			
Investments accounted for using the equity method	33(b)	671	755
Other assets	12	66	-
Property, plant and equipment	13	957	1,109
Right-of-use assets	28	1,607	674
Intangible assets	14	19,346	16,587
Total non-current assets		**22,647**	**19,125**
Total assets		**57,280**	**54,341**
LIABILITIES			
Current liabilities			
Trade and other payables	15	7,244	11,610
Borrowings	16	9,587	13,166
Lease liabilities	28	860	529
Employee benefits	17	4,263	4,282
Provisions	18	444	548
Current tax liabilities		269	184
Contract liabilities	19	5,728	1,529
Total current liabilities		**28,395**	**31,848**
Non-current liabilities			
Borrowings	16	3,481	-
Lease liabilities	28	774	184
Deferred tax liabilities		1,630	331
Employee benefits	20	66	33
Contract liabilities	21	188	237
Total non-current liabilities		**6,139**	**785**
Total liabilities		**34,534**	**32,633**
Net assets		**22,746**	**21,708**
EQUITY			
Contributed equity	22	41,446	39,446
Reserves	23(a)	(373)	842
Accumulated losses	23(b)	(18,327)	(18,580)
Total equity		**22,746**	**21,708**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

	Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Total $'000
At 1 July 2024	**35,654**	**(132)**	**(17,312)**	**18,210**
Loss for the year	-	-	(1,268)	(1,268)
Other comprehensive income/(loss)	-	974	-	974
Total comprehensive income/(loss) for the year	-	**974**	**(1,268)**	**(294)**
Transactions with owners in their capacity as owners				
Contributions of equity, net of transaction costs	3,792	-	-	3,792
At 30 June 2025	**39,446**	**842**	**(18,580)**	**21,708**
At 1 July 2025	**39,446**	**842**	**(18,580)**	**21,708**
Profit for the year	-	-	253	253
Other comprehensive income/(loss)	-	(1,215)	-	(1,215)
Total comprehensive income/(loss) for the year	-	**(1,215)**	**253**	**(962)**
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	2,000	-	-	2,000
At 30 June 2026	**41,446**	**(373)**	**(18,327)**	**22,746**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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Consolidated Statement of Cash Flows

For the year ended 30 June 2026

	Notes	Consolidated 2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		68,233	45,515
Payments to suppliers and employees (inclusive of goods and services tax)		(61,717)	(43,994)
Interest and other costs of finance paid		(1,507)	(1,285)
Receipts from grants and other income		1,623	86
Interest received		5	125
Net cash inflow from operating activities	35	**6,637**	**447**
Cash flows from investing activities			
Payment for property, plant, and equipment		(181)	(214)
Payment for intangible assets		(3,722)	(7,138)
Net cash (outflow) from investing activities		**(3,903)**	**(7,352)**
Cash flows from financing activities			
Proceeds from issue of shares		2,150	4,050
Share issue transaction costs		(150)	(258)
Proceeds from borrowings		4,312	4,698
Repayment of borrowings		(1,210)	(1,501)
Repayment of lease liabilities (principal only)		(873)	(887)
Net cash inflow from financing activities		**4,229**	**6,102**
Net increase / (decrease) in cash and cash equivalents		6,963	(803)
Cash and cash equivalents at the beginning of the financial year		(1,031)	(269)
Effects of exchange rate changes on cash and cash equivalents		(307)	41
Cash and cash equivalents at end of year	9	**5,625**	**(1,031)**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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Notes to the Financial Statements

For the year ended 30 June 2026

1. Material accounting policy information

The material accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes financial statements for the consolidated entity consisting of Compumedics Limited and its subsidiaries. Compumedics Limited is the ultimate parent entity.

(a) Basis of preparation

This general-purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report has been prepared for a for-profit-entity.

Compliance with IFRS
The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Historical cost convention
These financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Going concern and funding facilities
During the year ended 30 June 2026 the Group reported a profit before tax of $1.7m and net positive cash flow from operations of $6.6m. The Group also reported cash of $6.1m on 30 June 2026, compared to $2.7m on 30 June 2025, and borrowings of $13.1m on 30 June 2026, compared to $13.2m on 30 June 2025.

During the year the Group refinanced its banking facilities with the Bank of Melbourne, with the current facility offer dated 20 March 2026. Under the refinanced facilities, the key financial covenants, which are calculated and tested on a pre-AASB 16 basis, are a Debt Service Cover Ratio of not less than 1.25 times and an Equity Ratio of not less than 40%.

Both covenants were satisfied at 30 June 2026, with the Group reporting a Debt Service Cover Ratio of 1.43 times and an Equity Ratio of 41.7%, representing a significant improvement from the 31 December 2025 position. Compliance at year end provides a stronger platform entering FY27, with improved covenant headroom and no requirement for further covenant remediation. Management will continue to monitor covenant performance against the FY27 forecast, particularly earnings delivery, working capital and debt levels.

During the year the Company also strengthened its funding position, completing a placement in October 2025 that raised approximately $2.15 million (before costs) through the issue of 7,543,860 fully paid ordinary shares at $0.285 per share, and drawing a new $4.5 million bank bill business loan facility as part of the March 2026 refinancing. These facilities support the delivery of the MEG order book of approximately $13.1 million and provide flexibility for working capital needs as the business scales.

In addition, the Board remains prepared to consider further capital raising or additional debt finance should the need arise to support growth opportunities or to ensure covenant compliance.

Given these additional funding activities and the ongoing trading performance of the Company, the Directors have prepared the financial statements on a going-concern basis.

Changes in Accounting Policies
There were no changes in accounting policies in the year ended 30 June 2026.

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1. Material accounting policy information (continued)

(b) Principles of consolidation

Subsidiaries
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Compumedics Limited ("Group") as at 30 June 2026 and the results of all subsidiaries for the year then ended. Compumedics Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which the Group obtains control and cease to be consolidated from the date on which control is transferred out of the Group. The Group uses the acquisition method of accounting to account for the acquisition of subsidiaries.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations, which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the Board of directors.

Operating segments have been identified based on the information provided to the chief operating decision maker being the executive management team.

The group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in each of the following respects:
- Nature of the products and services,
- Nature of the production processes,
- Type or class of customer for the products and services,
- Methods used to distribute the products or provide the services, and if applicable
- Nature of the regulatory environment.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

(d) Foreign currency translation

(i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Compumedics Limited's functional and presentation currency.

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1. Material accounting policy information (continued)

(d) Foreign currency translation (continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are taken to foreign currency translation reserve. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in profit or loss, as part of the gain or loss on sale where applicable. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

(e) Revenue from contracts with customers

The core principle of AASB15 is that revenue is recognised taking into consideration the following five elements in any contract of sale by the Company to a customer:

1. Identification of a contract with a customer
2. Identification of the performance obligations in the contract with a customer
3. Determination of the transaction price of the contract with a customer
4. Consideration of the transaction price alongside the performance obligations in the contract
5. Recognition of revenue (or the transaction price) when (or as) the Company satisfies a performance obligation

In assessing the above criteria, the Group has reviewed the parameters of the contracts of sale it typically enters into with customers when selling products and/or services to them and has grouped contracts of sale with similar parameters together for the purposes of recognising revenue.

The accounting policy for the sale of products and the sale of services is:

The sale of products

The Group typically sells its products, being medical devices (hardware and software), either directly to end-user customers, such as hospitals, private physicians, universities or medical service providers, or to distributors, who then sell the product onto end-user customers.

Where the Group sells products to end-user customers there is typically an installation and training obligation at the end-user customer site, once the goods have been shipped to the end-user customer. In such situations the contract of sale with the end-user customer will separately identify the installation and training obligation, with a separate price for that installation and training obligation.

Taking into consideration the terms and conditions of sale, which forms the basis of the contract of sale between the Group and the end-user customer the Group recognises the sale of the products when the products are shipped from the Group's facility to the end-user customer, excluding that part of the price that is separately attributable to the installation and training obligation. This revenue will be recognised once the installation and training obligation has been satisfied.

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1. Material accounting policy information (continued)

(e) Revenue from contracts with customers (continued)

Where the Group sells its products to its distributors, who then sell those products to end-user customers the Group typically, does not have an installation and training obligation with the distributor. As such the Group will recognise revenue for the sale of products to its distributors when the products are shipped to the distributor.

Should the Group sell products to end-user customers or distributors that have different terms and conditions in the contract of sale, to those typically entered into then the Group will review the specific contract of sale and book revenue according to the completion of the terms of the contract of sale.

The sale of services

The Group typically sells its services, being post product-sale technical service and support or software-as-a-service (typically diagnostic software sold on a per-use or per-user basis) either under an annual or multi-year contract with an end-user customer, or on a per-use, or once-off basis.

Typically, the entering of a contract for post product-sale technical service and support by an end-user customer will involve the Group providing pre-defined on-site, over the phone, or WEB-based technical advice regarding the use and/or application of the product. Typically, the contract for service will also include performance parameters for service and repair of the products, should they malfunction, be broken or be damaged in use.

Where the Group sells post product-sale technical service and support services to end-user customers under an annual or multi-year contract, the Group will recognise the revenue associated with these contracts for service on a monthly basis as the service obligation for that month is satisfied.

If an end-user customer does not enter into an annual or multi-year service contract and requires these types of services to be performed by the Group then the end-user customer shall pay for these services on a per-use, or once-off basis. Revenue associated with these per-use or one-off contracts for service will be recognised at the time the service obligation by the Group is satisfied with the end-user customer.

Typically, distributors of the Group's products will not require services as described above, but where they do, revenue will be recognised in the manner described above.

Where the Group sells its diagnostic software on a per-use or per-user basis under an annual or multi-year contract to an end-user customer, the Group will recognise that revenue each month as the delivery of the diagnostic software obligation on a per-use or per-user basis is satisfied with the end-user customer for that month.

Should the Group sell services to end-user customers or distributors that have different performance obligations in the contract of service, to those typically entered into, and as described above, then the Group will review the specific contract of service in relation to terms of that contract and book revenue according to the obligations of the contract of service.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be compiled with. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. Government grants relating to an asset are presented in the Statement of Financial Position as unearned revenue.

Government grants and assistance that compensate for costs incurred are deferred and recognised in the Statement of Comprehensive income on systematic basis over the period in which the costs are recognised. Government grants and assistance that compensate for costs are presented in the Statement of Comprehensive income as other income.

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1. Material accounting policy information (continued)

(f) Income tax

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that enough taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation
Compumedics Limited and its wholly owned Australian controlled entities have not implemented the tax consolidation legislation.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable
- Receivables and payables, which are stated with the amount of GST included

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1. Material accounting policy information (continued)

(f) Income tax (continued)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(g) Leases

At inception of a contract, the Group assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy. The right-of-use asset is subject to the impairment requirements and is assessed for impairment indicators at each reporting date.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Group has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

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1. Material accounting policy information (continued)

(h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(i) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within 'sales and marketing expenses'. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(k) Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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1. Material accounting policy information (continued)

(l) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Group classifies its financial assets into the following categories, those measured at:
- amortised cost
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:
- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Group has a number of strategic investments in listed and unlisted entities over which are they do not have significant influence nor control. The Group has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:
- financial assets measured at amortised cost; and
- contract assets.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is

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1. Material accounting policy information (continued)

(l) Financial instruments (continued)

relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans and finance lease liabilities.

Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for goodwill, the recoverable amount of the asset is estimated. Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash generating unit.

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1. Material accounting policy information (continued)

Impairment of non-financial assets (continued)

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(m) Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost or re-valued amounts, net of their residual values, over their estimated useful lives. The expected useful lives for all categories of property, plant and equipment are between 3 and 6 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(h)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(n) Intangible assets

Research and development
Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the statement of comprehensive income as an expense when it is incurred. Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development.

The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, which is dependent on the specific activity capitalised. The Somfit and MEG is currently being amortised over 20 years.

(o) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

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1. Material accounting policy information (continued)

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(q) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

Borrowing costs include:

- Interest on bank overdrafts, other short-term funding facilities and short-term and long-term borrowings,
- Finance lease charges, and
- Bank charges on borrowing facilities.

(r) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(s) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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1. Material accounting policy information (continued)

(s) Employee benefits (continued)

(iii) Share-based payments

Share-based compensation benefits, if applicable, are provided to employees via the Compumedics Employee Option Plan. Information relating to these schemes is set out in note 30.

The fair value of options granted under the Compumedics Employee Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market-vesting conditions but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period considers the most recent estimate. The impact of the revision to original estimates, if any, is recognised in profit or loss with a corresponding adjustment to equity.

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after reporting date are discounted to present value.

(t) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

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1. Material accounting policy information (continued)

(v) Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

(w) Reclassifications

Certain reclassifications have been made in the financial statements to ensure that prior year comparisons conform to the current year presentations.

(x) New accounting standards and interpretations

The Group has adopted all new and amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the year ended 30 June 2026, including AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability and AASB 2026-1 Amendments to Australian Accounting Standards – Disclosures about Uncertainties in the Financial Statements. The adoption of these Standards did not have a material impact on the financial statements. The Group has not early adopted any Standard or Interpretation that has been issued but is not yet effective.

The following Standards and Interpretations relevant to the Group have been issued by the AASB (or the IASB) but are not yet effective for the year ended 30 June 2026:

Standard Name	Requirements	Application date	Applies to financial year ended
AASB 2024-2	**Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7** The Standard amends AASB 9 and AASB 7 to clarify: a) the classification of financial assets with environmental, social and corporate governance (ESG) and similar features; and b) the date on which a financial asset or financial liability is derecognised where settlement of a financial liability occurs through electronic payment systems.	1 Jan 2026	30 Jun 2027
AASB 2024-3	**Amendments to Australian Accounting Standards – Annual Improvements Volume 11** This Standard amends: a) AASB 1 to improve consistency with the requirements for hedge accounting in AASB 9; b) AASB 7 to replace a cross-reference with a reference to AASB 13 Fair Value Measurement and to improve consistency in the language used; c) AASB 9 to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished, and to address an inconsistency between AASB 9 and AASB 15 in relation to the term 'transaction price'; d) AASB 10 in relation to determining de facto agents of an entity; and e) AASB 107 to replace the term 'cost method' with 'at cost' as the term is no longer defined in Australian Accounting Standards.	1 Jan 2026	30 Jun 2027

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Standard Name	Requirements	Application date	Applies to financial year ended
AASB 2025-1	**Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity** This Standard amends AASB 7 and AASB 9 to reflect nature-dependent electricity contracts that entities use to secure their electricity supply from sources such as wind and solar power. The amendments clarify the application of the 'own-use' criteria to these contracts, permit hedge accounting if the contracts are used as hedging instruments, and add new disclosure requirements about the effect of these contracts on an entity's financial performance and cash flows.	1 Jan 2026	30 Jun 2027
AASB 18	**Presentation and Disclosure in Financial Statements** AASB 18 replaces AASB 101 Presentation of Financial Statements and introduces: a) the presentation of newly defined subtotals in the statement of profit or loss. Income and expenses are classified into operating, investing and financing categories, plus income taxes and discontinued operations, and two new subtotals – 'operating profit' and 'profit before financing and income taxes' – are presented; b) disclosure of management-defined performance measures – subtotals of income and expenses not specified by Accounting Standards that are used in public communications to communicate management's view of an aspect of the entity's financial performance; and c) enhanced requirements for the aggregation and disaggregation of information in the primary financial statements and the notes. Consequential amendments to other Australian Accounting Standards are set out in Appendix D to AASB 18.	1 Jan 2027	30 Jun 2028
AASB 2025-4	**Amendments to Australian Accounting Standards – Translation to a Hyperinflationary Presentation Currency** This Standard amends AASB 121 and AASB 129 to clarify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy, where the entity's functional currency, or that of a foreign operation, is the currency of a non-hyperinflationary economy.	1 Jan 2027	30 Jun 2028
AASB S2	**Climate-related Disclosures** AASB S2 sets out disclosure requirements about an entity's climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, access to finance or cost of capital over the short, medium or long term. The main disclosure requirements relate to governance, strategy, risk management, and metrics and targets, including information about scenario analysis and Scope 1, Scope 2 and Scope 3 greenhouse gas emissions. AASB S2 is mandatory for entities reporting under Chapter 2M of the Corporations Act 2001 in three phases (financial years beginning on or after 1 January 2025, 1 July 2026 and 1 July 2027). Based on its size, the Group expects to be a Group 3 entity, with mandatory application from the financial year beginning 1 July 2027. AASB S2025-1 Amendments to Greenhouse Gas Emissions Disclosures amends AASB S2 and applies to periods beginning on or after 1 January 2027.	1 Jul 2027	30 Jun 2028

Standard Name	Requirements	Application date	Applies to financial year ended
AASB 2014-10	**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to AASB 10 and AASB 128)** Amends AASB 10 and AASB 128 to remove the inconsistency in dealing with the sale or contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The mandatory application date has been deferred to annual reporting periods beginning on or after 1 January 2028 by AASB 2024-4b.	1 Jan 2028	30 Jun 2029
IFRS 19	**Subsidiaries without Public Accountability: Disclosures (issued by the IASB; no Australian equivalent yet issued by the AASB)** IFRS 19 introduces a reduced tier of disclosures for an entity that is a subsidiary without public accountability and whose ultimate or intermediate parent produces consolidated financial statements that comply with IFRS Accounting Standards. It is not applicable to the Group's consolidated financial statements.	1 Jan 2027	30 Jun 2028

The Group has assessed the impact of these Standards and Interpretations and does not expect them to have a material effect on the amounts recognised in the financial statements. AASB 18 will change the structure and presentation of the consolidated statement of profit or loss and require additional disclosures when it is first applied in the year ending 30 June 2028. AASB S2 will require a separate sustainability report from the financial year beginning 1 July 2027.

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2. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance and financial position of the Group.

Risk management is carried out by the senior managers of the Group.

(a) Market risk

(i) Foreign currency risk

Foreign exchange risk arises when recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group operates internationally and is exposed to foreign exchange risk primarily arising from currency exposures to the US dollar and the Euro.

The Group does not generally use derivative financial instruments as the Group seeks to offset its revenues and receivables denominated in US dollars and Euros with expenses and payables in the same currency where it is appropriate to do so. The Group will look to cover specific foreign currency exposures where it is appropriate to do so.

The Group's and parent entity's exposure to foreign currency risk at the reporting date was as follows:

	30 June 2026		30 June 2025	
	USD $'000	EUR $'000	USD $'000	EUR $'000
Financial assets				
Cash and cash equivalents	2,295	1,185	588	428
Trade receivables	6,035	1,735	1,680	3,316
Financial liabilities				
Bank and other loans	-	(314)	-	(261)
Trade payables	(1,650)	(381)	(1,915)	(288)
Net exposure	**6,680**	**2,225**	**353**	**3,195**

Sensitivity analysis

Based on the financial instruments held on 30 June 2026, had the Australian dollar weakened/strengthened by five percent against the US dollar with all other variables held constant, the Group's post-tax loss for the year would have been $0.463m higher / $0.512m lower (2025: $0.025m higher / $0.028m lower), as a result of foreign exchange gains/losses on translation of US dollar denominated financial instruments as detailed in the above table. Based on the financial instruments held on 30 June 2026, had the Australian dollar weakened/strengthened by five percent against the EURO with all other variables held constant, the Group's post-tax profit for the year would have been $0.176m higher / $0.194m lower (2025: $0.272m higher / $0.301m lower), as a result of foreign exchange gains/losses on translation of EURO dollar denominated financial instruments as detailed in the above table. The Group and parent entity's exposure to other foreign exchange movements is not material. The Group considers a five percent movement in either the US dollar or the Euro appropriate for the purposes of this sensitivity analysis as historically the Australian dollar has moved in a plus or minus five percent band against the US dollar and the Euro in any given recent financial year.

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2. Financial risk management (continued)

(a) Market risk (continued)

The parent entity has a current intercompany account receivable with the US business, all of which is considered a net investment in the US legal entity. As such, any exchange gain or loss resulting from the translation into Australian Dollars of the net investment of the intercompany account is taken to a foreign currency translation reserve. There is no profit or loss impact from movements in exchange rates relating to this net investment.

The parent entity likewise considers its intercompany account with the German and French businesses as part of its net investment and again there is no profit or loss impact from movements in exchange rates related to these net investments.

(ii) Interest rate risk
As at the reporting date, the Group had the following variable rate borrowings outstanding:

	30 June 2026		30 June 2025	
	Weighted average interest rate %	Balance $'000	Weighted average interest rate %	Balance $'000
Consolidated				
Cash and cash equivalents	0.00%	6,146	0.00%	2,690
Bank overdrafts and loan facilities	6.55%	13,068	8.80%	13,166

Sensitivity analysis
The Group's overall sensitivity to interest rate movements is, in part, dependent on the underlying profitability of the Group. If the Group delivers profits at the level achieved in the year ended 30 June 2026, then based on 30 June 2026 year end borrowing of $13.1m a plus or minus 2% movement in interest rates (+/- $262,000) would not cause a material change in underlying profitability of the Group.

The Group has adopted a policy of predominantly borrowing in Australian dollars with Australian banks and/or other financial institutions as it builds its offshore businesses. The Group does have an overdraft in its 100% subsidiary Compumedics Germany GmbH. The facility limit is EUR350k.

(b) Credit risk

The Group currently sells goods and services primarily to four major geographic regions being:
- Australia and New Zealand (A & NZ)
- United States of America (USA)
- Europe, the Middle East and Africa (EMEA)
- Asia

The sale of goods and services into Australia and New Zealand, the USA, France and Germany are made directly to the end user customer.

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2. Financial risk management (continued)

(b) Credit risk (continued)

The sale of goods and services to Europe, the Middle East, Africa and Asia are typically made via distributors based in specific countries in Europe (excluding France and Germany), the Middle East, Africa and Asia. The distributor then on sells the goods to the end user customer in the specific country in Europe, the Middle East, Africa and Asia.

The collectability of receivables within agreed terms is typically better where the goods and services are sold to a direct customer rather than to a distributor.

The Group does not hold any credit derivatives to offset its credit exposure. The Group also has an overdraft facility in its 100% owned Germany based subsidiary, Compumedics Germany GmbH, details of which can be found at Note 16. These financing activities do not affect this analysis of credit risk summarised here.

The Group trades only with recognised, creditworthy third parties.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer in accordance with parameters set by the Board. These risk limits are regularly monitored.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's experience of bad debts has not been significant, despite receivable balances remaining payable beyond terms. The following tables identify accounts receivable at 30 June 2026 and 30 June 2025 identified by debt owed into major region and currency. The aging analysis is presented based on due date of invoice.

Region	Not Due $'000	1 to 29 Days $'000	30 Days $'000	60 Days $'000	90+ Days $'000	Total $'000
2026						
Australia and Asia Pacific (AUD)	637	515	(28)	102	236	**1,462**
Australia and Asia Pacific (USD)	4,229	(24)	67	5	(56)	**4,221**
Australia and Asia Pacific (EUR)	161	14	48	-	(23)	**200**
USA Entities (USD)	2,565	1,092	275	143	490	**4,565**
European Entities (EUR)	1,147	210	189	118	1,013	**2,677**
	8,739	**1,807**	**551**	**368**	**1,660**	**13,125**
Provision		-	-	-	(155)	**(155)**
2025						
Australia and Asia Pacific (AUD)	1,343	7	103	83	208	**1,744**
Australia and Asia Pacific (USD)	2,313	116	90	198	128	**2,845**
Australia and Asia Pacific (EUR)	242	11	129	-	76	**458**
USA Entities (USD)	2,459	523	47	5	352	**3,386**
European Entities (EUR)	2,910	1,439	114	519	1,463	**6,445**
	9,267	**2,096**	**483**	**805**	**2,227**	**14,878**
Provision		-	-	-	(100)	(100)

The table highlights that:

The collection of cash from the sale of goods and services to direct end user customers as identified by USA (USD) and Australia and Asia Pacific (AUD) accounts receivable usually occurs at or not long after agreed payment terms. Debtors in the 90-day column are 10.7% (2025: 10.4%) and 16.1% (2025: 12%) of the total debtors owing in the respective territories. Variations in the 90 day column year-on-year are usually not significant in absolute dollar terms, but in the current year reflect an outstanding debt in the US, which the Group views as recoverable, as such the balances do not reflect any deterioration in amounts owing but rather reflect timing issues related to installation and training and the subsequent collection of cash.

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2. Financial risk management (continued)

(b) Credit risk (continued)

- The collection of cash from the sale of goods and services to distributors in Europe, the Middle East, Africa and Asia as represented by Australia and Asia Pacific (USD) accounts receivable usually occur well after agreed payment terms.
- Debtors in the 90-day column are approximately (1.3)% (2025: 4.5%) of the total debtors outstanding in the current year. The Group does not consider these accounts receivable to be at risk of non-payment but are the result of some delays with installations, particularly in Compumedics France and Germany at 30th June 2026. These have now largely been completed post financial year-end.
- The collection of cash from the sale of goods and services in the Europe-based business, which is primarily via distributors into Europe and Asia typically occurs after agreed payment terms. Debtors in the 90-day column for European Entities represent 37.8% (2025: 22.7%) of all debtors owed to this business, again reflecting delays in payment as a result of delayed installations. The Group sees this as a timing issue and expects full recoverability of the amounts owing.

Information on the Group's maximum exposure to credit risk and financial assets that are either past due or impaired can be found at Note 10.

(c) Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and committed available credit lines.

The Group does not have a specific policy as to the ratio of long term to short term debt and has instead focused on minimising total Group debt.

The Group manages its liquidity risk by monitoring the total cash inflows and outflows expected on a monthly basis across its worldwide business units that reflect expectations of management of the expected settlement of financial assets and liabilities.

However, where the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Group can be required to pay. When the Group is committed to make amounts available in instalments, each instalment is allocated to the earliest period in which the Group is required to pay. For financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee can be called.

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows of non-derivative financial instruments. Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in the Group's ongoing operations such as property, plant, equipment and investments in working capital (e.g. inventories and trade receivables).

Liquid non-derivative assets comprising cash and receivables are considered in the Group's overall liquidity risk. The Group ensures that sufficient liquid assets are available to meet all the required short-term cash payments.

The Group decreased bank debt from $13.2m to $13.1m during the financial year, whilst increasing cash to $6.1 million on 30 June 2026, compared to $2.7 million on 30 June 2025. The movement in bank debt and cash results primarily from the improved operating cash flows of the business and the timing of funds in and out of the business.

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2. Financial risk management (continued)

(c) Liquidity risk (continued)

Details of the Group's financing arrangements can be found at Note 16.

Liquid Financial Assets and Liquid Financial Liabilities

Consolidated	6 months $000	6-12 months $000	1-5 years $000	> 5 years $000	Total $000
Year ended 30 June 2026					
Liquid financial assets					
Cash and cash equivalents	6,146	-	-	-	6,146
Trade and other receivables	12,970	-	-	-	12,970
	19,116	-	-	-	19,116
Financial liabilities					
Trade and other payables	7,244	-	-	-	7,244
Interest bearing loans and borrowings	9,587	-	3,481	-	13,068
	16,831	**-**	**3,481**	**-**	**20,312**
Net inflow / (outflow)	**2,285**	**-**	**(3,481)**	**-**	**(1,196)**
Year ended 30 June 2025					
Liquid financial assets					
Cash and cash equivalents	2,690	-	-	-	2,690
Trade and other receivables	14,876	-	-	-	14,876
	17,566	-	-	-	17,566
Financial liabilities					
Trade and other payables	11,610	-	-	-	11,610
Interest bearing loans and borrowings	13,166	-	-	-	13,166
	24,776	**-**	**-**	**-**	**24,776**
Net inflow / (outflow)	**(7,210)**	**-**	**-**	**-**	**(7,210)**

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3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Deferred revenues
In calculating the Group's deferred revenues at any point in time the Group makes a judgement regarding the revenues to be deferred to future periods in respect of future installations and training obligations.

The Group reviews its installation and training obligations charged specifically against invoices raised with customers and defers this amount. This amount is deferred until such time as the future installation and training obligations have been extinguished.

(ii) Inventory
At any given point the Group has an obligation to carry its inventory at the lower of cost and net realisable value. In determining the Group's compliance with this requirement, the Group reviews its slow-moving inventory at December 31 and June 30 each year. As a consequence of this review the financial provision for slow moving inventory is adjusted with a resulting profit or loss impact.

In determining the appropriateness of the slow-moving inventory provision, the Group makes estimates about its future use of certain product lines and the ultimate recoverability and usefulness of the inventory on hand.

Given the leading-edge technology nature of the Group's activities, this may mean that inventory that was previously considered usable and therefore of value may quickly become redundant, obsolete or simply no longer usable.

(iii) Trade receivables
Similarly, for trade receivables the Group must make an estimate at any given point in time as to the recoverability of the receivables it has on its ledger and a provision for impairment is created based on this estimate.

The estimate is based on many factors including:

- The Group's knowledge of its customers and the likelihood of there being any issue with payment
- The Group's prior good history in relation to collecting receivables
- The territory where the receivable is owed from; and
- The age of outstanding balances.

Using this information, the Group makes an assessment of the recoverability of its trade receivables.

(iv) Recoverability of capitalised development costs
The Group did capitalise additional costs of $3.7m (2025: $7.1m) related predominantly to the development of the Somfit product, but also including MEG. The recoverability of these costs is primarily dependent on the commercial success of the Somfit and MEG products, which form the basis of the net present value calculations, so that they will generate future economic benefits more than the costs capitalised and therefore supports the carrying value of the assets. The Group did review the carrying value of the intangible assets of the Group for the year on 30 June 2026 and is satisfied the carry values are recoverable. The Group continued amortisation of these costs in the 2026 financial year with a $1.0m (2025: $0.8m) charge to profit or loss in the current year, related to Somfit, MEG and the intangible assets in the DWL business in Germany.

(v) Deferred tax asset / liability
The Group has booked a deferred tax asset related to the future benefit of unused tax credits as well as a net deferred tax asset relating to timing differences, where it is reasonably certain it can recover those losses against future taxable profits.

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4. Operating Segments

(a) Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in note 1 to the accounts and in the prior periods except as detailed below:

Inter-entity sales

Inter-entity sales are recognised based on an internally set transfer price. The price is set annually and aims to reflect what the business operations could achieve if they sold their output and services to external parties at arm's length.

Corporate charges

Corporate charges comprise non-segmental expenses such as head office expenses and interest. Corporate charges are allocated to each operating segment on a proportionate basis linked to segment revenue so as to determine a segmental result.

It is the Group's policy that if term of revenue and expenses are not allocated to operating segments then any associated assets and liabilities are also not allocated to segments. This is to avoid asymmetrical allocations within segments which management believe would be inconsistent.

(b) Description of segments

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (chief operating decision maker) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the geographical location in which products are sold and services provided, either directly to end-user customers or via distributors. Discrete financial information about each of these operating businesses is reported to the executive management team on at least a monthly basis.

Geographic locations

Americas

The Group's Americas based business includes, the United States, Canada and Latin America. The Group sells all of its product offerings in this region including sleep diagnostic systems, clinical EEG systems, brain monitoring systems, ultra-sonic blood-flow systems, supplies and technical service and support. The US business also includes that sleep diagnostic services business. Sales in the Americas are predominantly direct sales to end-user customers. The US office is based in Charlotte, North Carolina.

Australia and Asia Pacific

The Group's head office is based in Melbourne, Australia and the Australia and Asia Pacific territory includes all countries in the Asia Pacific region with major countries for the territory including Japan and China. The Group sells all of its product offerings in this region including sleep diagnostic systems, clinical EEG systems, brain monitoring systems, ultra-sonic blood-flow systems, supplies and technical service and support. The group sells directly to end-user customers in Australia and via a network of distributors into the Asian region.

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4. Operating Segments (continued)

Europe and the Middle East

The Group's Europe-based business has its principal office in Singen, Germany with additional offices in Hamburg and Freiburg Germany. The Europe based territory includes all countries in the European region, plus all Middle Eastern countries. The Group sells all of its product offerings in this region including sleep diagnostic systems, clinical EEG systems, brain monitoring systems, ultra-sonic blood-flow systems, supplies and technical service and support. The Group sells its ultra-sonic blood-flow systems directly in Germany and all other products are sold via a network of distributors across the territory.

Major Customers

The Group does not have any individual customer that contributes 10% or more to Group revenues in the years ended 30 June 2026 or 30 June 2025.

Segment revenues are allocated based on the country in which the customer is located. Segment assets and capital expenditure are allocated based on where the assets are located.

2026	Americas	Australia and Asia Pacific	Europe and the Middle East	Group
	$'000	$'000	$'000	$'000
Revenue				
Sales to external customers	16,362	36,497	7,395	60,254
Intersegment sales	-	6,028	9,603	15,631
Other intersegment revenue	1,535	-	-	1,535
Total segment revenue	**17,897**	**42,525**	**16,998**	**77,420**
Intersegment elimination	(1,535)	(6,028)	(9,603)	(17,166)
Total revenue	**16,362**	**36,497**	**7,395**	**60,254**
Segment Result	(992)	6,995	(566)	5,437
Depreciation and amortisation	(215)	(1,598)	(421)	(2,234)
Net interest expense	(121)	(1,165)	(222)	(1,508)
Net profit/(loss) before income tax per the Statement of Profit or Loss and Other Comprehensive Income	**(1,328)**	**4,232**	**(1,209)**	**1,695**
Segment Assets	7,275	93,893	22,461	123,629
Intersegment elimination	-	(66,349)	-	(66,349)
Total assets per the Statement of Financial Position	**7,275**	**27,544**	**22,461**	**57,280**
Acquisition of property plant & equipment	20	140	32	192

**Sales within Australia for 2026 were $8.80m*

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4. Operating Segments (continued)

2025	Americas	Australia and Asia Pacific	Europe and the Middle East	Group
	$'000	$'000	$'000	$'000
Revenue				
Sales to external customers	17,635	22,435	10,759	50,829
Intersegment sales	452	8,753	659	9,864
Other intersegment revenue	88	113	1,611	1,812
Total segment revenue	**18,175**	**31,301**	**13,029**	**62,505**
Intersegment elimination	(540)	(8,866)	(2,270)	(11,676)
Total revenue	**17,635**	**22,435**	**10,759**	**50,829**
Segment Result	**(3,892)**	**6,804**	**208**	**3,120**
Depreciation and amortisation	(231)	(1,436)	(579)	(2,246)
Net interest expense	(108)	(920)	(257)	(1,285)
Net profit/(loss) before income tax per the Statement of Profit or Loss and Other Comprehensive Income	**(4,231)**	**4,448**	**(628)**	**(411)**
Segment Assets	6,060	87,636	25,947	119,643
Intersegment elimination	-	(65,302)	-	(65,302)
Total assets per the Statement of Financial Position	**6,060**	**22,334**	**25,947**	**54,341**
Acquisition of property plant & equipment	38	139	37	214

Sales within Australia for 2025 were $8.09m

5. Revenue

	2026	2025
	$'000	$'000
Sales revenue		
Sale of goods	57,324	48,039
Services	2,930	2,790
	60,254	**50,829**
Revenue by geographical region		
Americas	16,362	17,635
Australia and Asia Pacific	36,497	22,435
Europe and the Middle East	7,395	10,759
	60,254	**50,829**
Timing of revenue recognition		
Goods and services transferred at a point in time	57,324	48,039
Services transferred over time	2,930	2,790
	60,254	**50,829**

6. Other income

Other income	**1,623**	**211**
	1,623	**211**

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7. Expenses

	Consolidated	
	2026 $'000	2025 $'000
Profit / (loss) before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	333	493
Total depreciation	**333**	**493**
Amortisation		
Intangible assets	963	796
Right-of-use assets	937	957
Finance costs		
Interest and finance charges paid/payable	1,508	1,285
Foreign exchange (gains) and losses (a)	238	22
Employee benefits		
Payroll expense including leave payments	26,682	27,007
Superannuation entitlements	1,293	1,205
	27,975	**28,212**
Research and development expenditure	4,754	1,342
Current receivables – movement in impairment provision	55	(122)
Inventory – write down:	309	75

(a) Foreign exchange gains and losses

Net foreign exchange (gains)/losses of $0.24m (2025: $0.022m) were primarily related to trading transactions.

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8. Income tax expense

	Consolidated	
	2026 $'000	2025 $'000
(a) Income tax expense		
Current income tax charge	143	742
Adjustment for prior periods	-	(570)
Deferred income tax	1,299	685
Income tax reported in the statement of profit or loss and other comprehensive income	**1,442**	**857**
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit / (Loss) before income tax expense as reported in the statement of profit or loss and other comprehensive income	1,695	(411)
Tax (expense)/benefit at the Australian tax rate of 30% (2025 – 30%)	509	(123)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses	5	5
Change in tax rates	-	(71)
Prior year adjustments	-	(570)
Research and development	(54)	(317)
Changes in recognised temporary differences	1,193	1,933
Tax losses recognised	(211)	-
Income tax expense reported in the statement of profit or loss and other comprehensive income	**1,442**	**857**
(c) Provision for income tax – current		
Estimated income tax payable	269	184

The benefit of tax losses will be obtained if:

(i) the Group derives future assessable income of a nature and an amount enough to enable the benefit from the deductions for the loss to be realised,
(ii) the Group continues to comply with the conditions for deductibility imposed by tax legislation, and
(iii) no change in tax legislation adversely affects the Group in realising the benefit from the deductions for the loss.

(d) Tax consolidation legislation

Compumedics Limited and its wholly owned Australian controlled entities have elected not to implement the tax consolidation legislation.

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9. Current assets – Cash and cash equivalents

	Consolidated	
	2026	2025
	$'000	$'000
Cash at bank and on hand	6,146	2,690

Included in cash on hand is restricted cash amounting to $0.1m. This relates to security regarding the corporate credit cards used in the US.

Reconciliation to Statement of Cash Flows
For the purposes of the statement of cash flow, cash and cash equivalents comprise the following at 30 June

Cash at bank and on hand	6,146	2,690
Bank overdrafts (note 16)	(521)	(3,721)
Balances per Statement of Cash Flows	**5,625**	**(1,031)**

10. Current assets – Trade and other receivables

	Consolidated	
	2026	2025
	$'000	$'000
Trade receivables	13,125	14,976
Allowance for impairment loss (a)	(155)	(100)
	12,970	**14,876**

(a) Movements in the provision for impairment loss were as follows:

At 1 July	100	222
Additional provision recognised	55	-
Receivables written off during the year as uncollectible	-	-
Unused amounts reversed	-	(122)
	155	**100**

The creation and release of the provision for impaired receivables has been included in 'sales and marketing' expenses in profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

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10. Current assets – Trade and other receivables (continued)

Past due but not impaired

As of 30 June 2026, trade receivables of $4,230m (2025 - $5.512m), net of the allowance for impairment loss of $0.155m (2025 - $0.100m), were past due but not impaired. These relate to a number of independent customers and distributors for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	Consolidated	
	2026 $'000	2025 $'000
Up to 3 months	2,726	3,384
3 to 6 months	356	783
Over 6 months	1,148	1,345
	4,230	**5,512**

Fair value and credit risk

Due to the short-term nature of these non-interest-bearing receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to note 2 for more information on the risk management policy of the Group and the credit quality of the entity's trade receivables.

Due to the industry in which the Group operates, the Group trades with several Australian and overseas distributors who are historically slow payers. The ageing profile of trade receivables is closely monitored, and significantly aged balances and doubtful accounts are provided against.

11. Current assets - Inventories

The provision for stock obsolescence was increased during the year ended 30 June 2026 by $0.309m as a result of the Group recognising provision against specific inventory items. These activities have led the Group to adjust the provision for stock obsolescence to reflect the recoverable value of the inventory on hand at 30 June 2026.

	Consolidated	
	2026 $'000	2025 $'000
Raw materials and stores (at cost)	5,523	5,795
Work in progress (at cost)	588	671
Finished goods (at net realisable value)	9,617	9,918
Provision for obsolescence	(2,037)	(1,728)
Total inventories at the lower of cost and net realisable value	**13,691**	**14,656**

(a) Inventory expense

Inventories recognised as an expense during the year ended 30 June 2026 amounted to $27,856,547 (2025: $21,519,008).

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12. Other Assets

Current other assets comprise prepayments, which are expected to be recovered within twelve months. Non-current other assets comprise a security deposit held in the USA.

	Consolidated	
	2026 $'000	2025 $'000
Current		
Prepayments	1,826	2,994
	1,826	**2,994**
Non-current		
Security deposit	**66**	-

13. Non-current assets - Property, plant and equipment

Consolidated	Plant and Equipment At Cost $'000	Office Equipment At Cost $'000	Motor Vehicle $'000	Leasehold Improvements $'000	Plant and Equipment Leased $'000	Office Equipment Leased $'000	Total $'000
Year ended 30 June 2025							
Opening net book amount	391	187	-	433	376	-	1,387
Additions	171	31	-	7	5	-	214
Exchange differences	18	7	-	-	-	-	25
Disposals	-	(3)	-	(56)	-	-	(59)
Depreciation/amortisation expense	(146)	(114)	-	(80)	(118)	-	(458)
At 30 June 2025	434	108	-	304	263	-	1,109
At 30 June 2025							
Cost	2,991	5,994	228	1,083	1,011	592	11,899
Accumulated depreciation	(2,557)	(5,886)	(228)	(779)	(748)	(592)	(10,790)
Net carrying amount	434	108	-	304	263	-	1,109
Year ended 30 June 2026							
Opening net book amount	434	108	-	304	263	-	1,109
Additions	93	80	-	19	-	-	192
Exchange differences	(5)	(5)	-	-	-	-	(10)
Disposals	-	(1)	-	-	-	-	(1)
Depreciation/amortisation expense	(126)	(71)	-	(81)	(55)	-	(333)
At 30 June 2026	396	111	-	242	208	-	957
At 30 June 2026							
Cost	3,084	6,073	228	1,102	1,011	592	12,090
Accumulated depreciation	(2,688)	(5,962)	(228)	(860)	(803)	(592)	(11,133)
Net carrying amount	396	111	-	242	208	-	957
Useful life (years)	6	3	3	-	6	3	

(a) Property, plant and equipment pledged as security for liabilities

Refer to note 16 for information on non-current assets pledged as security.

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14. Non-current assets - Intangible assets

Consolidated	Development costs $'000	Total $'000
Year ended 30 June 2025		
At 1 July 2024	10,159	10,159
Additions	7,138	7,138
Reversal of impairment charge	-	-
Amortisation charge**	(796)	(796)
Exchange difference	86	86
At 30 June 2025	**16,587**	**16,587**
At 30 June 2025		
Cost*	29,776	29,776
Accumulated amortisation and impairment	(13,189)	(13,189)
Net carrying amount	**16,587**	**16,587**
Year ended 30 June 2026		
At 1 July 2025	16,587	16,587
Additions	3,722	3,722
Amortisation charge**	(963)	(963)
Exchange difference	-	-
At 30 June 2026	**19,346**	**19,346**
At 30 June 2026		
Cost*	33,498	33,498
Accumulated amortisation and impairment	(14,152)	(14,152)
Net carrying amount	**19,346**	**19,346**

* Relates to capitalised development costs being an internally generated intangible asset and capitalised licence fees
** Amortisation charged is included in depreciation and amortisation expense in profit or loss. The remaining balance of the intangible asset relates the Somfit and MEG product to be amortised over 20 years from first sale and the DWL products.

15. Current liabilities - Trade and other payables

	Consolidated 2026 $'000	2025 $'000
Trade payables	5,543	8,637
Other payables	1,701	2,973
	7,244	**11,610**

(a) Foreign currency risk

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 2.

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16. Borrowings

	Consolidated	
	2026 $'000	2025 $'000
Secured		
Bank overdraft and invoice facility	521	3,721
Fixed term loans	3,899	3,637
Working capital facilities	5,167	5,808
Total Current Borrowings	**9,587**	**13,166**
Fixed term loans – non-current	3,481	-
Total Non-Current Borrowings	**3,481**	**-**

Bank and Other Funding Facilities

Bank of Melbourne Facilities:

- Commercial overdraft: Facility limit of $4.5 million, provided as part of a $10.5 million Multi Option Facility under the Business Finance Agreement with the Bank of Melbourne dated 20 March 2026. The overdraft was undrawn at 30 June 2026.
- Bank Bill Business Loan: New $4.5 million three-year facility drawn in March 2026 as part of the refinancing, with a balance of $4.3 million at 30 June 2026. The facility is repayable by monthly principal and interest instalments, reducing the facility balance to approximately $2.0 million by March 2029, with the remaining balance repayable at the end of the term.
- Working capital facilities: Trade refinancing facilities supporting MEG system builds and general working capital, provided under the Multi Option Facility with a combined limit of $6.0 million. At 30 June 2026, $5.2 million was drawn.
- SME Pandemic Recovery Scheme Loan: Balance of $3.1 million at 30 June 2026 (30 June 2025: $3.6 million). The loan is repayable over approximately seven years.

The Group also maintains transactional banking facilities and credit cards with the Bank of Melbourne.

Following the March 2026 refinancing, these facilities are subject to compliance with two financial ratio covenants, tested on a pre-AASB 16 basis:

1. Debt Service Cover Ratio (not less than 1.25 times): At 30 June 2026, the Group was compliant at 1.43 times.
2. Equity Ratio (not less than 40%): At 30 June 2026, the Group was compliant at 41.7%.

The Group satisfied all financial covenants at 30 June 2026.

International Facilities:

- Sparkasse Bank (Germany): EUR0.35 million secured overdraft facility. At 30 June 2026, EUR0.31 million (AUD0.52 million) was drawn.

(a) Risk exposures

Details of the Group's exposure to fair value interest rate risk arising from current borrowings is set out in note 2.

(b) Fair value disclosures

No borrowings are readily traded on organised markets.
The carrying amounts of all borrowings are not materially different to their fair values at reporting date.

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16. Borrowings (continued)

(c) Assets pledged as security and not derecognised in the Statement of Financial Position

The total secured liabilities are as follows:

	Consolidated	
	2026	2025
	$'000	$'000
Bank overdraft and invoice facility	521	3,721
Fixed term loans	7,380	3,637
Working capital facilities	5,167	5,808
	13,068	**13,166**

Security is held against the following subsidiaries: Compumedics Telemed Pty Ltd, Compumedics Cardiology Pty Ltd and Compumedics Medical Innovation Pty Ltd.

Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

The carrying amounts of assets pledged as security for current borrowings are:

	Consolidated	
	2026	2025
	$'000	$'000
Current		
Floating charge		
Cash and cash equivalents	6,146	2,690
Receivables	12,970	14,876
Inventories	13,691	14,656
Total current assets pledged as security	**32,807**	**32,222**
Non-current		
Floating charge		
Property, plant and equipment	957	1,109
Total non-current assets pledged as security	**957**	**1,109**
Total assets pledged as security	**33,764**	**33,331**

(d) Forward exchange contracts

As at 30 June 2026 and 30 June 2025 there were no outstanding forward exchange contracts.

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16. Borrowings (continued)

(e) Financing arrangements

Access was available at reporting date to the following lines of credit:

	Consolidated	
	2026	2025
	$'000	$'000
Credit standby arrangements		
Total facility		
Bank overdraft	4,500	3,500
Bank bill business loan	4,312	-
SME Recovery Scheme loan	3,068	3,637
Working capital facilities	6,000	6,500
Overdraft – DWL	575	627
	18,455	**14,264**
Used at reporting date		
Bank overdraft	-	3,254
Bank bill business loan	4,312	-
SME Recovery Scheme loan	3,068	3,637
Working capital facilities	5,167	5,807
Overdraft – DWL	521	468
	13,068	**13,166**
Unused at reporting date		
Bank overdraft	4,500	246
Bank bill business loan	-	-
SME Recovery Scheme loan	-	-
Working capital facilities	833	693
Overdraft – DWL	54	159
	5,387	**1,098**
Loan / funding facilities		
Total facilities	18,455	14,264
Used at reporting date	(13,068)	(13,166)
Unused at reporting date	**5,387**	**1,098**

The Group had funding facilities totalling $18.5 million on 30 June 2026.

(f) Derivative instruments

Compumedics Limited and certain of its controlled entities may be party to derivative financial instruments in the normal course of business to hedge exposure to fluctuations in foreign exchange rates. At reporting date there were no outstanding derivative financial instruments in place.

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17. Current liabilities – Employee benefits

	Consolidated	
	2026 $'000	2025 $'000
Annual leave and other employee benefits	2,657	2,757
Long service leave	1,606	1,525
	4,263	**4,282**

Movements in employee benefits

Movements during the financial year are set out below:

	Employee benefits $'000
Current	
Carrying amount at start of year	4,282
Charged/(credited) to profit or loss	
- additional provisions recognised	(19)
- unused amounts reversed	-
Carrying amount at end of year	**4,263**

18. Current liabilities - Provisions

	Consolidated	
	2026 $'000	2025 $'000
Service warranties	444	548
	444	**548**

Service warranties

Provision is made for the estimated warranty claims in respect of products sold which are still under warranty at reporting date. These claims are expected to be settled in the next financial year, but this may be extended into the following year if claims are made late in the warranty period and are subject to confirmation by suppliers that component parts are defective.

Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Movements in provisions

Movements during the financial year are set out below:

	Service warranties $'000
Current	
Carrying amount at start of year	548
Charged/(credited) to profit or loss	
- additional provisions recognised	444
- unused amounts reversed	(548)
Carrying amount at end of year	**444**

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19. Current liabilities - Contract liabilities

	Consolidated	
	2026	2025
	$'000	$'000
Current		
Deferred income	5,728	1,529

Deferred income relates to service contracts yet to be performed and post-sale installation and training obligations yet to be completed pursuant to the Group's accounting policies as detailed in Note 1 Material accounting policy information, (e) Revenue recognition and Note 3 Critical accounting estimates and judgements, (i) Deferred Revenues. Deferred income at 30 June 2026 also includes deposits received on the Group's MEG contracts, which are held as contract liabilities and recognised as revenue as each delivery milestone is satisfied.

20. Non-current liabilities – Employee benefits

	Consolidated	
	2026	2025
	$'000	$'000
Long service leave	66	33

21. Non-current liabilities - Contract liabilities

	Consolidated	
	2026	2025
	$'000	$'000
Deferred income	188	237

Deferred income relates to service contracts yet to be performed and post-sale installation and training obligations yet to be completed pursuant to the Group's accounting policies as detailed in Note 1 Material accounting policy information, (e) Revenue recognition and Note 3 Critical accounting estimates and judgements, (i) Deferred Revenues.

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22. Contributed equity

(a) Share capital

	Consolidated		Consolidated	
	2026 Shares	2025 Shares	2026 $'000	2025 $'000
Ordinary shares Fully paid	199,761,754	192,217,894	41,446	39,446

(b) Movements in ordinary share capital

Date	Details	Number of shares	Issue price	$'000
30 June 2024	**Balance**	**177,162,948**		**35,654**
12 July 2024	New shares issued	6,607,143	$0.28	1,850
19 November 2024	New shares issued	178,572	$0.28	50
11 December 2024	New shares issued	8,269,231	$0.26	2,150
	Less: Capital raising costs			(258)
30 June 2025	**Balance**	**192,217,894**		**39,446**
22 October 2025	New shares issued	7,543,860	$0.285	2,150
	Less: Capital raising costs			(150)
30 June 2026	**Balance**	**199,761,754**		**41,446**

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

The ordinary shares have no par value.

(d) Other equity securities

There are no other equity securities issued at this time.

(e) Capital management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity. Management will periodically adjust the capital structure of the Group to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may pay a dividend to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Management currently has no plans to pay a dividend and has not done so in the prior year. This policy will be reviewed at least annually against known and anticipated operational outcomes.

Management may consider the issue of further shares on the market in the foreseeable future.

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22. Contributed equity (continued)

(e) Capital management (continued)

	Consolidated	
	2026 $'000	2025 $'000
Total borrowings	13,068	13,166
Less cash and cash equivalents	(6,146)	(2,690)
Net cash / (debt)	**(6,922)**	**(10,476)**
Total equity	22,746	21,708
Total funding	**29,668**	**32,184**
Gearing ratio	**23.3%**	**32.6%**

The gearing ratio is calculated as net debt divided by total funding, being net debt plus total equity. The 30 June 2025 comparative has been recalculated on the same basis.

23. Reserves and accumulated losses

(a) Reserves

	Consolidated	
	2026 $'000	2025 $'000
Foreign currency translation reserve	(373)	842
	(373)	**842**

(b) Accumulated losses

	Consolidated	
	2026 $'000	2025 $'000
Movements in accumulated losses were as follows:		
Balance 1 July	(18,580)	(17,312)
Net profit / (loss) for the year	253	(1,268)
Balance 30 June	**(18,327)**	**(18,580)**

(c) Other Reserves

	Consolidated Foreign currency translations $'000
Balance as at 30 June 2024	(132)
Exchange difference on translation of foreign operations	974
Balance as at 30 June 2025	842
Exchange difference on translation of foreign operations	(1,215)
Balance as at 30 June 2026	**(373)**

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve, as described in note 1(d). The reserve is recognised in profit or loss when the net investment is disposed of.

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24. Dividends

Ordinary shares

The directors have not declared a dividend in the current financial year (2025: Nil).

25. Key management personnel disclosures

(a) Directors

The following persons were directors of Compumedics Limited during the financial year:

(i) *Chairman and Chief Executive Officer*
Dr David Burton

(ii) *Executive Director and Chief Financial Officer*
Mr David Lawson

(iii) *Non-executive director*
Mr. Rod North

(iv) Non-executive director
Mr. Christopher Barys (appointed 22 September 2025, resigned 30 June 2026)

(b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the financial year:

Name	*Position*	*Employer*
Warwick Freeman^	Chief Technology Officer	Compumedics Limited

^ The above persons were also key management persons during the year ended 30 June 2025

(c) Key management personnel compensation

	Consolidated	
	2026	2025
	$	$
Short-term employee benefits	1,020,941	1,153,756
Post-employment benefits	102,210	95,473
Long-term benefits	38,739	18,348
Share-based payments	-	-
	1,161,890	**1,267,577**

(d) Equity instrument disclosures relating to key management personnel

(i) *Option holdings*
There were no options provided as remuneration during the current or prior year. No options over ordinary shares were held by KMP's on 30 June 2026 and 30 June 2025.

(ii) *Share holdings*
The numbers of shares in the Company held during the financial year by each director of Compumedics Limited and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

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25. Key management personnel disclosures (continued)

Name	Balance at the start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
2025				
Directors of Compumedics Limited				
Ordinary shares				
David Burton and/or associated entities	98,044,319	-	178,572	98,222,891
David Lawson	3,470,724	-	-	3,470,724
Rod North	2,000	-	-	2,000
Other key management personnel of the Group				
Ordinary shares				
Warwick Freeman	82,000	-	-	82,000
Christoph Witte	-	-	-	-
2026				
Directors of Compumedics Limited				
Ordinary shares				
David Burton and/or associated entities	98,222,891	-	-	98,222,891
David Lawson	3,470,724	-	-	3,470,724
Rod North	2,000	-	-	2,000
Christopher Barys (resigned 30 June 2026)	-	-	-	-
Other key management personnel of the Group				
Ordinary shares				
Warwick Freeman	82,000	-	-	82,000

(e) Other transactions with key management personnel

David Burton is a Director and shareholder of Intellirad Solutions Pty Ltd. Where expenses have been paid by Compumedics on behalf of Intellirad Solutions Pty Ltd, these have been reimbursed in full. During the year ended 30 June 2026 Compumedics paid $20,318 to Intellirad Solutions Pty Ltd for payroll tax equalisation (2025: nil). There were no amounts payable to, or receivable from, key management personnel or their related parties at 30 June 2026.

David Burton is a director of D & DJ Burton Holding Pty Ltd.

26. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its network firms and unrelated firms:

	Consolidated	
	2026	2025
	$	$
(a) Audit services		
Nexia Melbourne Audit Pty Ltd		
Audit or review of financial statements	238,000	228,150
Total remuneration for audit services	**238,000**	**228,150**
(b) Non-audit services		
Taxation services		
Tax compliance services	65,000	62,000
Total remuneration for taxation services	**65,000**	**62,000**
	303,000	**290,150**

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27. Contingencies

(a) Contingent liabilities

The consolidated entity had no contingent liabilities at 30 June 2026 (2025: None).

(b) Contingent assets

The consolidated entity had no contingent assets at 30 June 2026 (2025: None).

28. Leases

The Group as a lessee

The Group has leases over a range of assets including land and buildings and motor vehicles.

The Group has chosen not to apply AASB 16 to leases of intangible assets.

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The building leases are for the corporate office and warehouse in Melbourne, Australia (a new lease commenced on 1 September 2025) and corporate offices in Charlotte NC, USA, Singen and Hamburg, Germany, Dijon, France and Seoul, South Korea (a new lease was recognised during the year). The underlying contracts for the property leases have expiry dates from late 2027 through 2029. The Group may seek to extend these leases, or exercise its options, where it believes this to be in the best interests of the Group. The rentals are subject to an annual CPI increase.

Right-of-Use Assets

	Buildings $'000	Office Equipment and Motor Vehicles $'000	Total $'000
Year ended 30 June 2025			
Balance at 1 July 2024	1,544	22	1,566
Additions	-	-	-
Amortisation charge	(748)	(200)	(948)
Remeasurement and exchange differences	(122)	178	56
Balance at 30 June 2025	**674**	**-**	**674**
Year ended 30 June 2026			
Balance at 1 July 2025	674	-	674
Additions	1,759	-	1,759
Amortisation charge	(937)	-	(937)
Remeasurement and exchange differences	111	-	111
Balance at 30 June 2026	**1,607**	**-**	**1,607**

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28. Leases (continued)

Lease Liabilities

	Less than 1 year $'000	1 to 5 years $'000	More than 5 years $'000	Total undiscounted lease liabilities $'000	Lease liabilities included in this Consolidated Statement of Financial Position $'000
Year ended 30 June 2025					
Lease liabilities	582	375	-	957	713
Year ended 30 June 2026					
Lease liabilities	923	1,002	-	1,925	1,634

Extension Options

The Group may include options in the leases to provide flexibility and certainty to the Group operations and reduce costs of moving premises. Currently the Group has no extension options on its building leases.

Consolidated Statement of Profit and Loss and Other Income

The amounts recognised in the consolidated statement of profit or loss and other comprehensive income relating to leases where the Group is a lessee are shown below:

	Consolidated	
	2026 $'000	2025 $'000
Expenses relating to leases of low value assets or short term leases	-	-
Amortisation of right-of-use assets	937	948
Lease interest	111	119
Total	**1,048**	**1,067**

Consolidated Statement of Cash Flows

	Consolidated	
	2026 $'000	2025 $'000
Total cash outflow for leases	**249**	**887**

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29. Commitments

No commitments as at 30 June 2026 (2025: None)

30. Share-based payments

Employee Option Plan

The Group did not have any share-based payments in the full year ended 30 June 2026 (2025: None).

31. Related party transactions

(a) Parent entity

The ultimate parent entity in the wholly owned group is Compumedics Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 33.

(c) Key management personnel

Disclosures relating to key management personnel are set out in note 25.

(d) Transactions with related parties

Transactions between Compumedics Limited and related entities during the years ended 30 June 2026 and 2025 consisted of:

	Consolidated	
	2026	2025
	$	$
Licence fee for a non-exclusive licence for certain intellectual property (the Licenced Rights) to D & DJ Burton Holdings Pty Ltd, an entity related to David Burton	469,527	442,833
Investor relations fees paid to Bourse Communications Pty Ltd, an entity related to Rod North	45,152	68,054
Payment to Intellirad Solutions Pty Ltd for payroll tax equalisation, an entity related to David Burton	20,318	-

(e) Loans to/from related parties

There were no loans outstanding to or from related parties during the year ended 30 June 2026.

(f) Guarantees

No guarantees have been given or received from related parties.

(g) Terms and conditions

All transactions between related parties were made on normal commercial terms and conditions and at market rates.

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32. Parent Entity Information

	Consolidated	
	2026	2025
	$'000	$'000
Information relating to Compumedics Limited:		
Current assets	19,577	16,660
Total assets	91,815	85,517
Current liabilities	23,003	24,224
Total liabilities	28,610	24,604
Contributed equity	41,446	39,446
Reserves	3,413	6,921
Retained earnings	18,346	14,546
Total shareholders' equity	**63,205**	**60,913**
Profit of the parent entity	3,801	4,775
Total comprehensive income of the parent entity	292	6,221

Guarantees

The facilities provided by the Bank of Melbourne are secured by a Corporate Guarantee and Indemnity unlimited as to amount and a Mortgage Debenture secure the working capital facilities over all the assets and undertaking of the parent entity, Compumedics Limited and its subsidiaries. Further details are in Note 16.

Contingent Liabilities

The parent entity had no contingent liabilities at 30 June 2026 (2025: None).

Contractual Commitments

The parent entity has no contractual commitments at 30 June 2026 (2025: None).

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33. Interests in Other Entities

(a) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

	Country of incorporation	Class of shares	Equity holding 2026 %	Equity holding 2025 %
Compumedics Telemed Pty Ltd	Australia	Ordinary	100	100
Compumedics Medical Innovation Pty Ltd	Australia	Ordinary	92	92
Compumedics Cardiology Pty Ltd	Australia	Ordinary	100	100
Compumedics USA Inc.	USA	Ordinary	100	100
Compumedics Singapore Pte Ltd	Singapore	Ordinary	100	100
Compumedics USA Ltd (formerly Neuroscan Ltd)	USA	Ordinary	100	100
Compumedics Germany GmbH	Germany	Ordinary	100	100
Cardio Sleep Services Inc.	USA	Ordinary	100	100
Compumedics France SAS	France	Ordinary	100	100
DWL USA Inc.	USA	Ordinary	100	100
Compumedics Europe GmbH	Germany	Ordinary	100	100
Compumedics Korea Co. Ltd.	South Korea	Ordinary	100	100

(b) Interest in associate

The Group, through Compumedics Europe GmbH, holds a 50% interest in Compumedics Alpha Trace GmbH, which is accounted for using the equity method. The carrying value of the investment was $671,000 at 30 June 2026 (2025: $755,000). The movement in the year reflects the Group's share of the investee's result and foreign currency translation.

Name of associate	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2026	Percentage Owned (%)* 2025
Compumedics Alpha Trace GmbH	Austria	50	50

*The percentage of ownership interest held is equivalent to the percentage voting rights for all associates.

34. Events occurring after the reporting date

The Directors are not aware of any other matters after the end of the financial year that would have a material impact on the financial performance of the Group.

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35. Reconciliation of profit after income tax to net cash inflow from operating activities

	Consolidated	
	2026	2025
	$'000	$'000
Profit / (loss) for the year	253	(1,268)
Amortisation	1,900	1,754
Depreciation	333	493
Net exchange differences	(965)	2,106
Change in operating assets and liabilities		
(Increase) decrease in trade and other receivables	1,971	(4,449)
(Increase) decrease in other assets	1,102	(2,282)
(Increase) decrease in inventories	965	(1,445)
(Increase) decrease in deferred tax assets	-	354
Increase (decrease) in trade and other payables	(4,366)	3,907
Increase (decrease) in contract liabilities	4,150	394
Increase / (decrease) in income tax payable	85	184
Increase / (decrease) in provisions	(104)	21
Increase / (decrease) in employee benefits	14	347
Increase / (decrease) in deferred tax liabilities	1,299	331
Net cash inflow from operating activities	**6,637**	**447**

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36. Profit / (Loss) per share

	Consolidated 2026 Cents	Consolidated 2025 Cents
(a) Basic profit / (loss) per share – cents per share		
Profit/(loss) attributable to the ordinary equity holders of the Company	0.1	(0.7)
(b) Diluted profit / (loss) per share		
Profit/(loss) attributable to the ordinary equity holders of the Company	0.1	(0.7)

(c) Reconciliation of profit/(loss) used in calculating earnings per share

	Consolidated 2026 $'000	Consolidated 2025 $'000
Basic profit / (loss) per share		
Profit / (loss)	253	(1,268)
Diluted profit / (loss) per share		
Profit / (loss) attributable to the ordinary equity holders of the Company used in calculating diluted profit / (loss) per share	253	(1,268)

(d) Weighted average number of shares used as the denominator

	Consolidated 2026 Number	Consolidated 2025 Number
Weighted average number of ordinary shares used as the denominator in calculating basic profit/(loss) per share	197,426,258	188,256,957
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted profit/(loss) per share	197,426,258	188,256,957

(e) Information concerning the classification of securities

There are no other outstanding options or other instruments convertible into ordinary shares of the Company at the date of this report.

Consolidated entity disclosure statement

As at 30 June 2026

Name of entity*	Type of entity	Trustee, partner or participant in joint venture**	% of share capital held	Country of Incorporation	Australian resident or foreign resident***	Foreign tax jurisdiction(s) of foreign residents
Compumedics Limited	Body Corporate	N/A	N/A	Australia	Australian	N/A
Compumedics Telemed Pty Ltd	Body Corporate	N/A	100%	Australia	Australian	N/A
Compumedics Medical Innovation Pty Ltd	Body Corporate	N/A	92%	Australia	Australian	N/A
Compumedics Cardiology Pty Ltd	Body Corporate	N/A	100%	Australia	Australian	N/A
Compumedics USA Inc.	Body Corporate	N/A	100%	USA	Foreign	USA
Compumedics Singapore Pte Ltd	Body Corporate	N/A	100%	Singapore	Foreign	Singapore
Compumedics USA Ltd	Body Corporate	N/A	100%	USA	Foreign	USA
Compumedics Germany GmbH	Body Corporate	N/A	100%	Germany	Foreign	Germany
Cardio Sleep Services Inc.	Body Corporate	N/A	100%	USA	Foreign	USA
Compumedics France SAS	Body Corporate	N/A	100%	France	Foreign	France
DWL USA Inc.	Body Corporate	N/A	100%	USA	Foreign	USA
Compumedics Europe GmbH	Body Corporate	N/A	100%	Germany	Foreign	Germany
Compumedics Korea Co. Ltd.	Body Corporate	N/A	100%	South Korea	Foreign	South Korea

* Entities listed here are those that are part of the consolidated entity at the end of the financial year. Entities disposed of during the year, or where the entity has lost control by the reporting date, are not included here. This means that entities listed could be different to the 'Interests in subsidiaries' note contained in the notes to the financial statements.

** This means whether, at that time, the entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

*** The definitions of 'Australian resident' and 'foreign resident' in the ITAA 1997 are mutually exclusive. This means if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of the public company disclosures in the consolidated entity disclosure statement.

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Consolidated entity disclosure statement (continued)

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

Section 295 (3A) of the Corporation Acts 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. It should be noted that the definitions of 'Australian resident' and 'foreign resident' in the Income Tax Assessment Act 1997 are mutually exclusive. This means that if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of disclosure in the CEDS.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

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Directors' Declaration

In the opinion of the directors:

(a) the financial statements and notes set out on pages 17 to 67 are in accordance with the Corporations Act 2001, including:

(i) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2026 and of their performance for the financial year ended on that date; and

(iii) complying with the International Financial Reporting Standards as disclosed in note 1, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(c) the information disclosed in the attached Consolidated Entity Disclosure Statement is true and correct.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the directors.

David Burton
Director

Melbourne
30th September 2026

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Independent Auditor's Report to the Members of Compumedics Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Compumedics Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our opinion, there are no key audit matters to communicate.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

Registered Audit Company 291969

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial (other than the consolidated entity disclosure statement) report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 13 of the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Compumedics Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Nexia

Nexia Melbourne Audit Pty Ltd
Melbourne

Chapman Wan
Director

Date this 30th day of September 2026

Additional information required by Australian Stock Exchange Listing Rules and not disclosed elsewhere in this Annual Report; the information presented is at 17 September 2026.

A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Class of equity security					
	Number of holders	Number held	Options	Number held	Redeemable Convertible notes	Number held
1 to 1000	210	108,752	-	-	-	-
1,001 to 5,000	660	1,867,147	-	-	-	-
5,001 to 10,000	302	2,435,634	-	-	-	-
10,001 to 100,000	486	18,165,304	-	-	-	-
100,001 and over	121	177,184,917	-	-	-	-
	1,779	199,761,754	-	-	-	-

There were 485 holders of less than a marketable parcel of ordinary shares and they hold 555,245 ordinary shares, amounting to 0.28% of issued capital.

B. Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest holders of quoted equity securities are listed below:

Position	Holder Name	Holding	% IC
1	D & DJ BURTON HOLDINGS PTY LTD	96,002,819	48.06%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,816,616	6.42%
3	BEIJING BESTMED TECH LTD	4,901,961	2.45%
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	4,529,255	2.27%
5	MEDIGAS ITALIA S R L	4,333,333	2.17%
6	UBS NOMINEES PTY LTD	3,272,841	1.64%
7	BNP PARIBAS NOMS (NZ) LTD	2,635,010	1.32%
8	MR DAVID FRANCIS LAWSON & MS MICHELLE GABRIELLE CALLINAN <LAWSON CALLINAN SUPER A/C>	2,464,482	1.23%
9	KNOWLER PROPERTY PTY LTD	2,318,000	1.16%
10	ELECTRO MOLECULAR PTY LTD	2,220,072	1.11%
11	MS KARIN JONES	2,217,056	1.11%
12	VALUI PTY LTD <FORTIS SUPER FUND A/C>	2,170,987	1.09%
13	AVIANTO PTY LTD <HOCK SOO MEE SUPER A/C>	1,287,000	0.64%
14	MR MARK DAVID HOLDER	1,236,930	0.62%
15	JARVSOFAKS PTY LTD <DE LISIO SUPER FUND A/C>	1,168,373	0.58%
16	CITICORP NOMINEES PTY LIMITED	1,040,363	0.52%
17	MR DAVID FRANCIS LAWSON	1,010,242	0.51%
18	MR NIGEL STRONG	1,008,786	0.50%
19	BNP PARIBAS NOMINEES PTY LTD <COWEN AND CO LLC>	855,997	0.43%
20	BFA SUPER PTY LTD <GDN SUPER FUND A/C>	778,188	0.39%
	Total	**148,268,311**	**74.22%**
	Total issued capital - selected security class(es)	**199,761,754**	**100.00%**

Unquoted equity securities

There are no unquoted equity securities on issue	-	-

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C. Substantial holders

Substantial holders in the Company are set out below:

	Number held	Percentage
Ordinary shares		
D & DJ Burton Holdings Pty Ltd and Electro Molecular Pty Ltd*	98,222,891	49.17

* Electro Molecular Pty Ltd is owned by David Burton, who is also a shareholder of D & DJ Burton Holdings Pty Ltd

D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

(a) Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Convertible redeemable notes
No voting rights.

(c) Options
No voting rights.