Control Bionics Annual General Meeting

October 6 2022

CONTROL BIONICS®
AAC SOLUTIONS

Control Bionics Limited ABN 45 115 465 462

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Acknowledgement of Country

I begin today by acknowledging the Gadigal people of the Eora Nation, Traditional Custodians of the land on which we meet today, and pay my respects to their Elders past, present and emerging. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

Control Bionics Board & Senior Management

Roger Hawke
Non Executive
Chairman

Rob Wong
Board Member
CEO (Resigned)

Peter Ford
CEO, Founder & Director
of Innovation

Brett Crowley
Company Secretary

Dominik Kucera
CFO

Lindsay Phillips
Non Executive
Board Member

Damian Lismore
Non Executive
Board Member

Gillian Shea
Audit Partner

Agenda

- Board & Management introductions
- Proxy Voting
- Chair Presentation
  - Year in Review
- Founder/Acting CEO Presentation
  - CBL Xelerator
- Meeting Conclusion & Questions


MAKE A
LIFE-CHANGING
CONNECTION

Resolutions & Voting

Presentation
Year in Review

mission

To be the global leader in innovative augmentative communications and control devices

CONTROL BIONICS®
AAC SOLUTIONS

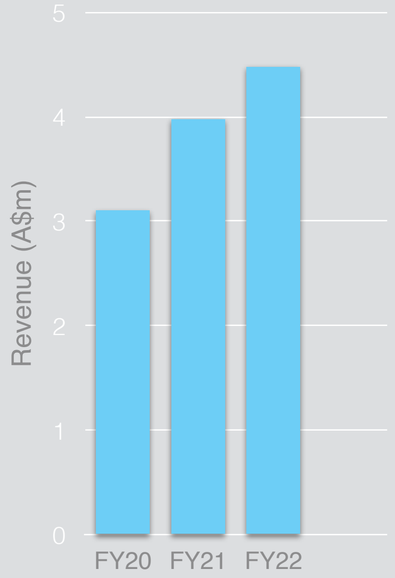
Product Range 2022

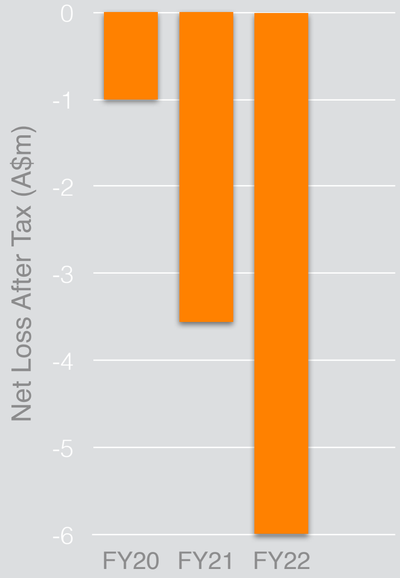
Strategic Goals & Achievements

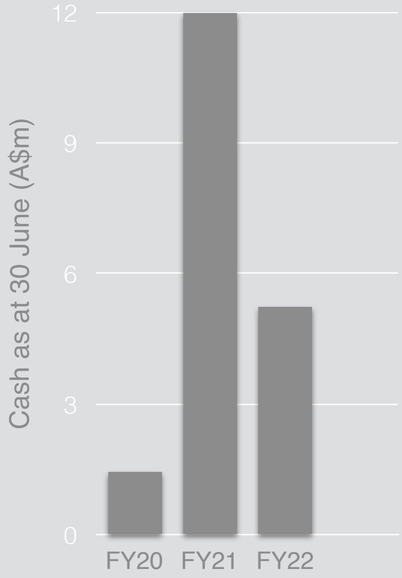
- Strategic Priorities
  - Establish business platform in preparation for post-COVID environment
  - Expand business in Australia within Assistive Technology space
  - Expand business in North America within Assistive Technology space
  - Develop new distribution and licensing arrangements
  - Develop and launch core products in Japan
  - Investment in R&D to:
    - enhance existing product range
    - leverage existing technology into new opportunities
    - miniaturise our core NeuroNode technology for new applications

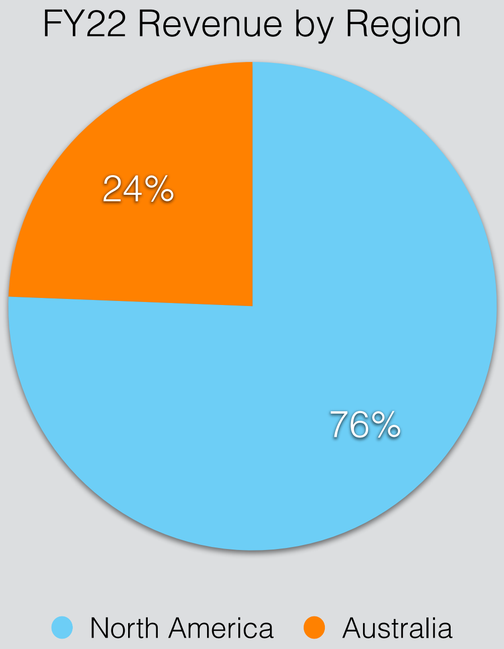
Summary FY22 Highlights

- Revenue of $4.48m. Loss of $6.10m
- 13% YOY growth in revenue despite COVID-19 headwinds
- Solid growth in USA Sales
- Established operations in Japan
- Strong balance sheet with $5.2m in cash as at June 30th



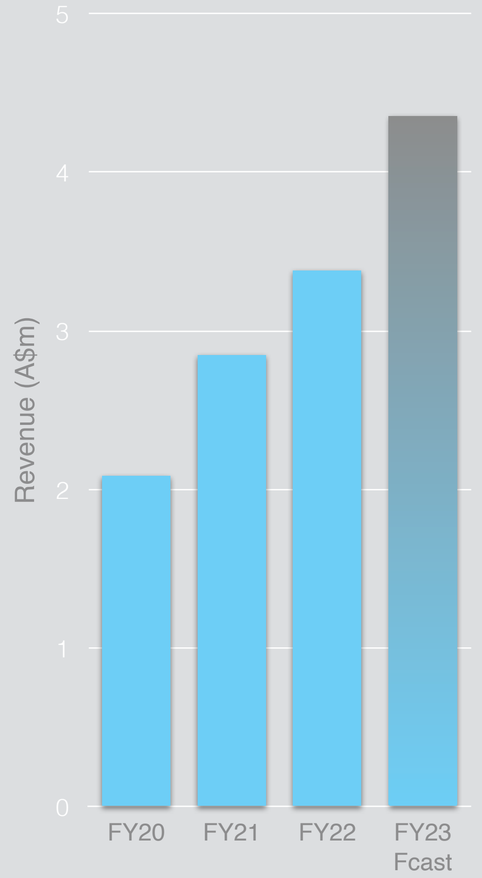






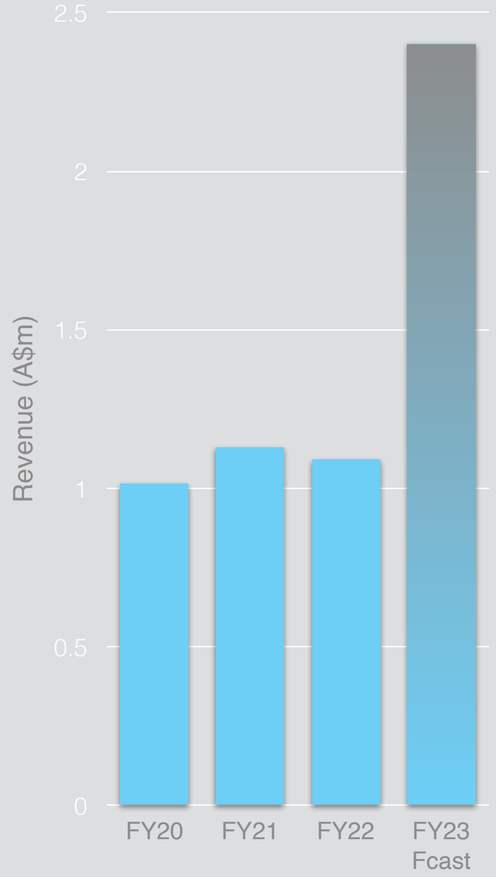
North America Market Overview

- FY22 Revenue $3.38m. 19% YOY Growth
- Made investments in:
  - Key operational infrastructure & management
  - Sales and funding team buildup
  - Marketing awareness activities
- Leveraged key reseller partnership with Numotion Group
- Re-engaged Bridges Canada distribution post COVID
- Tough conditions with COVID-19 restricting sales processes for compromised user base
- Higher than normal inventory due to global supply chain issues



Australian Market

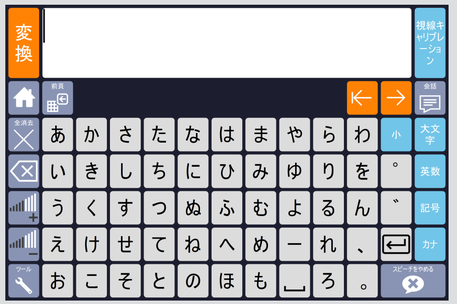
- Consistent revenue of $1.12m, despite lockdowns.
- Substantial growth forecast for FY23.
- Investment in:
  - Sales team buildup
  - Marketing awareness
- Rental plans growing - deferring some revenue
- Building relationship with NDIS and other funding sources
- COVID-19 conditions constrained access to users and specifiers



Japanese Market

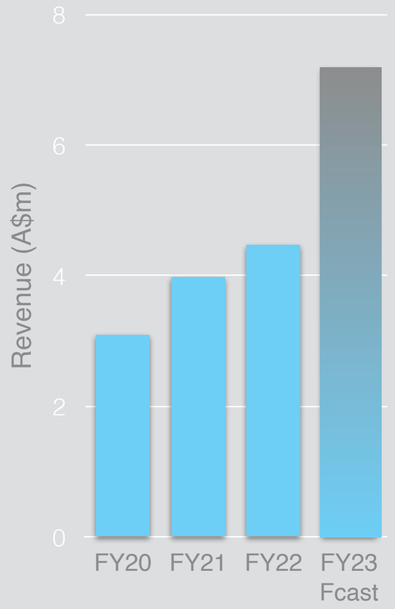
- Ready for Business in Japan
  - Japanese Language Trilogy Product developed and launched
  - Branch office established
  - CBL Founder visit to establish key relationships
  - Local premium distributor Double R&D appointed
    - Dedicated sales resource recruited
    - First system sale in September
- Next steps:
  - Additional products being customised for Japanese market

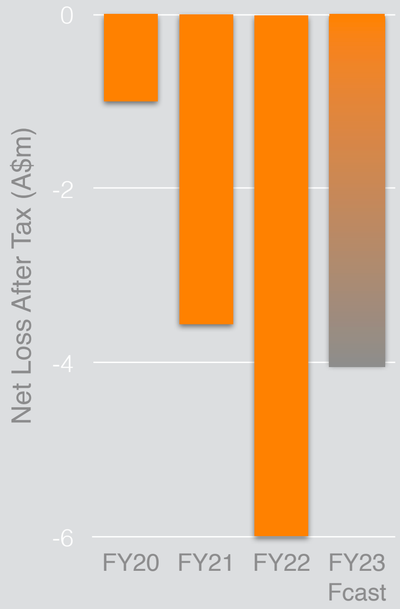
- Other Asian Markets
  - Singapore market entry via distributor
  - Other Asian markets under review

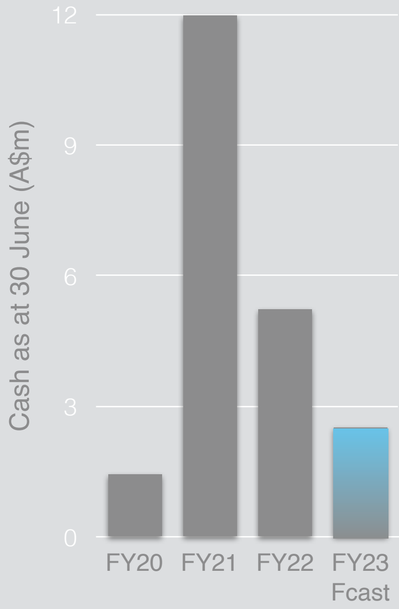


Summary & FY23 Forecast

- Return to double digit revenue growth post COVID-19
- Initial Sales in Japan
- New target markets in Europe
- Continue to manage through global supply chain issues
- Continue R&D and test phase for new products







CEO Presentation

Chairman's/CEO Presentation for 2022 Annual General Meeting

Control Bionics Limited

Date: 6 October 2021

Time: 11am

Place: L3, 22 Market Street, Sydney and Virtual

Hello everyone, and welcome to the Annual General Meeting of Control Bionics Limited.

I am Roger Hawke, the Company Chairman.

As the time is now past 11 AM and we have a quorum, I declare the 2022 annual general meeting open.

Slide 3:

I begin today by acknowledging the Gadigal people of the Eora Nation, Traditional Custodians of the land on which we meet today, and pay my respects to their Elders past, present and emerging. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

Slide 4:

This slide shows the members of your board and key management personnel, and with me in this virtual meeting is our company Founder and interim CEO, Peter Ford together with our fellow directors: Rob Wong, Lindsay Phillips and Damian Lismore, and
our CFO Dominik Kucera.

As you may know from our recent announcement, our CEO Rob Wong has announced his resignation due to ongoing health issues but is currently assisting with specific projects. I take this opportunity to thank Rob for his leadership of the company over the past several years, and wish him well for his future, and a speedy recovery. A search has commenced for a new CEO to lead the company to its next phase of growth.

Also in attendance from our auditors, BDO is Gillian Shea and Liam Garland.

Slide 5:

We have 2 key items on our agenda today,

- A brief presentation from me, and our CEO, and
- Formal voting on the 4 resolutions included with the notice of meeting

Slide 6:

I am proud of the work the Control Bionics team does every day to tailor Augmentative and Alternative Communications solutions to people in need. Most of us take verbal and non verbal communications for granted in our day to day interactions, but there are a substantial number of people in our communities who are unable to communicate easily due to disease, disability or serious injury.

Control Bionics' amazing NeuroNode technology enables these people to rejoin their communities through a range of solutions which enable communications with family, friends, carers employees and the on-line world. Some examples:

A child that has never been able to communicate with her family, and now has the ability to communicate her wants and needs. And her first requests were for a baby sister and a puppy. She is now also able to fully participate in her continued education.

A parent with a degenerative disease such as MND and gradually loses the ability to perform most functions including communication can reconnect with their family and friends, and ultimately say goodbye.

A teenager with a sudden and dramatic change to their lives through a spinal cord injury, can now communicate with friends and family, use social media, play Xbox games and so much more through our remarkable technology.

These examples are all real, and there are hundreds more.

Our goal is to provide this life changing technology to as many people as possible around the world, and to leverage this technology into new market sectors in medtech and consumer oriented markets.

Peter and I will provide a presentation with more details on our progress shortly. A copy of the presentation was released to the ASX immediately before the commencement of this meeting.

But first some formalities:

The virtual component of this meeting is being held via Automic's online meeting platform. This platform enables shareholders and proxyholders to participate in this live webcast of the meeting and to ask questions and submit votes.

Questions can be submitted at any time. To ask a question, please press on the Q&A icon. If you would like to ask your question verbally, type your SRN or HIN and then type "I'd like to speak".

When we reach the formal business of the meeting, voting on all resolutions will be conducted by poll.

If you have already lodged a proxy vote please note that you do NOT need to vote again through the online voting portal, your votes will already be counted in a poll on each resolution as per your proxy instruction.

To allow shareholders sufficient time to log in, I now declare the poll open. Online voting is now open and will remain open until I declare it closed at the end of the formal business. Your votes must have been submitted prior to the portal being closed for them to count.

Slide 7:

We now move to the formal business as set out in the Notice of Meeting.

Slide 8

We will now move on to a brief presentation. There will be time at the end of the presentation for any questions, and I would ask that you hold your questions until then please.

Slide 9
Our mission continues to be to take our market leading technology and apply it to innovative products and services in the augmentative communications sector globally. But this is just the start as we move to leverage our technology in other assistive technology, medtech and consumer markets. Alex, our Australian Sales Director is modelling the current NeuroNode in its most common configuration, but we will also give you a glimpse of what's coming next.

Slide 10
Our patented NeuroNode technology is the cornerstone of our product leadership in the assistive technology space. Our technology receives the tiny signals sent from the brain to a muscle to indicate the intent to move that muscle, even if the muscle can not physically move. This signal can be used to simulate a key press on a computer or other device. For the assistive communication market, we have integrated the technology into two comprehensive systems which make communications possible for the first time for some clients, or improve the accuracy, speed and fatigue and differentiates us from other augmentative communications solutions. This is a unique and powerful combination and has been well received by clients, funding bodies, and specifying clinicians such as speech language pathologists, in Australia and the USA.

Our flagship system is the NeuroNode Trilogy system, which combines eye-gaze technology with our NeuroNode technology to create a unique, market leading communications solution. Other variants are available with Eyegaze only or NeuroNode only to meet the varied needs of our clients.

In FY22, we also introduced the Uno Touch, a touch-based speech generating device for users with compromised speech conditions such as autism and intellectual disabilities, which further broadens our product range and our relevance to therapists, and institutional buyers such as schools.

In FY22, we also introduced the innovative accessory product called Cosmos Connect which allows severely disabled users to play and control external devices like feeding robots, switch based toys and game systems like Xbox. This device has a multitude of applications, one of which is wheelchair control that we will discuss later in this presentation.

Slide 11

There are few businesses globally that were not impacted by the COVID-19 pandemic, and the impact on our business was primarily due to our inability during lockdown to access our vulnerable client base and the medical institutions where the therapists who specify assistive technology generally work. This forced us to make changes to the way we do business, with more on-line consulting and service.

Our aim, post IPO was to establish the global business platform required to manage a rapidly growing business once COVID-19 conditions abate, and we have achieved that goal despite challenging conditions. This created an environment where losses grew faster than revenue, but we expect this to turn around in FY23 as double digit growth in revenue returns to all geographic sectors, and markets such as Japan reopen.

We are ready for business in USA, Canada, Australia, Japan and Singapore, and the sales pipeline is growing strongly. We have a solid product portfolio in assistive technology which continues to expand, and new developments are in train that will take us beyond disability to other medtech and consumer market opportunities.

Slide 12

Despite the slowdown in the rate of growth, the business still achieved revenue growth of 13%, primarily from our US business operations, and the company held $5.2m in cash on the balance sheet as at June 30. Additional cash will flow into the business in FY23 from the exercise of options and repayment of option related loans by 2 key executives.

Losses are also forecast to reduce in FY23 as revenue growth improves, and our Japanese business starts to contribute.

The board expects to have sufficient cash available to trade through FY23 without the need to raise additional capital for normal operations.

Additional capital may be required if there are unforeseen adverse trading conditions, or for a major project such as commercialising a significant new product for example.

Slide 13

Early this financial year we appointed a Country Manager to oversee our North American operations. Under Todd Tyler's leadership, revenue growth in the US Business remained strong at 19% year on year despite the headwinds of COVID-19, and is forecast to grow at a higher rate in FY23. Todd now has a comprehensive team ready to serve our customers and deliver improved sales results as the North American markets reopen.

This includes Canada, where we appointed a local distributor, but the market was largely closed to us during the COVID-19 pandemic.

We also continue to see indirect sales growth through our reseller partnership with Numotion Group in select areas of the USA. This partnership also has potential for future expansion.

I also note that due to continuing global supply chain disruptions, we are currently holding more than normal inventory levels to ensure continuity of supply of finished goods to our customers.

Slide 14

We had a disappointing year in the Australian market in FY22, with no revenue growth, due primarily to the extended lockdowns around the country, and some challenges with NDIS as processes changed.

We have also seen an increase in Equipment Rental in Australia rather than direct purchase which has reduced FY22 revenue but with additional revenue deferred to FY23. The rental option has had a positive impact to overall unit sales, and is expected to continue to grow sales and revenue in FY23 and beyond.

As the market in all states are now open again, and the NDIS processes stabilized, we are already seeing a substantial growth in sales activity and the full year forecast is for substantial growth in Australia this year, around double last year.

Slide 15

The Japanese market for our products is substantial and is expected to make a modest revenue contribution in FY23, and growing materially over subsequent years.

During FY22, our Japanese market development was a significant source of expense as we created a bespoke Japanese language based product, established a local branch office and appointed a substantial distributor.

Japan only recently opened to international visitors, and Peter Ford visited at the earliest opportunity to build relationships with distributors, specialists and relevant institutions, and to conduct training and client trials. Our distributor Double R&D has now hired a dedicated sales resource specifically for our products, and we recently made our first full system sale in Japan.

Based on Peter's recent visit, we are also preparing additional products suitable for the Japanese market to maximise our opportunity there.

We also remain in active discussions in several other geographic markets for distribution of our complete systems or alternatively our NeuroNode and Cosmos Connect products as accessories that can be integrated with systems already available in those other markets.

We also remain in active negotiations for licensing our core technology for incorporation in other products.

Slide 16

As discussed throughout this presentation, FY22 has been a foundational year, preparing the business for reopening of existing markets and the initial opening of our operations in Japan and we remain confident in forecasting a return to strong growth across all geographic segments.

Our Q1 financial results will be released in the coming weeks and are consistent with the theme of a return to strong double digit growth in sales, and with the full year forecast shown here.

And this is just the existing augmentative communications business. Control Bionics has the potential to be so much more and now I will hand over to Peter to talk about some of the exciting developments that are under way.

CONTROL BIONICS

Annual General Meeting Agenda 2022-10- - CEO Presentation

Script	VO/SOT	Time
Hello, I'm Peter Ford, founder and CEO of Control Bionics, and Director of our new bionics R&D Laboratory CBX.	SLIDE: CBL logo backdrop	00:00 00:09
Rob Wong joined Control Bionics as CEO five years ago expanding our company in the USA, Australia, and Asia, and guiding us through our successful IPO. As you know he has stepped down for health reasons, and we wish him a speedy and full recovery.	SLIDE: Rob Wong SLIDE: CBL logo backdrop	00:18 00:23
You heard this morning, we've been making consistent increases in sales year on year for the past three years….		00:30
We've steadily expanded our marketing and sales in the USA, Australia, and this year, Japan… … forming alliances and distribution relationships wherever we can expand our presence and sales.		00:40
In our largest market, the USA, we have expanded Medicare insurance coverage of our products to 37 of the 50 states, with the remaining 13 and the District of Columbia - Washington DC - our current targets. Each state has to be negotiated separately and we have specialists in house developing the networks and contracts.		00:57
We are also partnering with suppliers and distributors in the USA and Europe - including Lincare, Jabla, Irisbond among others to expand our market penetration.		01:05
This year we're making our first sales in Japan with our distribution partners Double R and D… … our NeuroNode and Trilogy are providing communication and control in Japanese….		01:15
… and this week our Head of Sales Australia, Biomedical engineer Alex Alvarado is in Tokyo with Double R and D and our Japanese resident representative Erica Kitayama at the biggest Assistive Technology trade show in Asia.		01:26

Script	VO/SOT	Time
We are building our devices on a robotic production line near our US office - enabling us to evolve designs quickly, and scale up as fast as we can sell…		01:34
… where we once built one unit at a time, the robots are delivering our devices in batches of a hundred.		01:39
You know this **NeuroNode** EMG and spatial switch has been our workhorse for five years… helping people around the world… with severe disabilities... to control iPhones, iPads, Macs and PCs with their own electrical signals inside a muscle even if that targeted muscle isn't functional.		01:44 01:57
NeuroNode uses EMG - electromyography - and painless sensors on the skin - to turn a person's own neuroelectric signals inside a muscle into commands to smartphones, computers and robotics….		02:11
You hear excited stories about Brain Computer Interface - BCI - where electrodes are placed over the head, or holes drilled into the skull to place thin probes into the brain - or a sensor is inserted into a vein into the brain to pick up signals. All require either time to process the signals - one to three seconds, with a 67% accuracy - or surgery to implant sensors.		02:35
Our EMG captures a reliable signal in one hundredth of a second with above 95% accuracy - usually closer to 99+% - with no surgery, no head covering sensors… just this painless, fast, accurate NeuroNode.		02:49
Our clients can use it to write text, have it spoken aloud by their phone or computer, send it to other phones or computers, email, surf the web and control robots.		02:59
This NeuroNode device also has EOG - electrooccu lography - to use the changing electrical potential across an eye as it moves, as a switch - when the only movement a person can make is to look up or down or side to side.		03:14

Script	VO/SOT	Time
This NeuroNode has a spatial sensor that can switch on the slightest movement… the lift of an eyebrow or the barest movement of a finger or toe to control communication and other devices.		03:25
And it has Bluetooth to talk to any iPhone, iPad, PC, Mac - and later this month, Android and Galaxy smartphones.		03:32
We are leaders in bionic communication and control for people with disabilities… … our youngest clients, one in the USA and one in Australia were each THREE years old when they began communicating with our systems.		03:45
We enhanced it with eye tracking, on our flagship NeuroNode Trilogy… ...a person just looks where they want the cursor to move on the screen… and makes a tiny signal to NeuroNode and selects it like a mouse click.		03:49 03:57
Eye tracking speeds things enormously… but other brands are reported to be tiring - studies of other systems indicate a user generally fatigues in less than an hour.		04:05
With a NeuroNode as an intuitive switch, our Trilogy clients can use it for hours without tiring.		04:12
Dr Kirsten Harley has not let ALS impede her academic work … collaborating and publishing papers at the University of Sydney with her Trilogy.		04:21
BUT we know in high tech you have to evolve constantly.		04:26
In 2020 we launched our advanced bionics R&D lab at our US site in Milford, Ohio. Called CBX - for Control Bionics Xelerator - our Chief Technology Officer **James Schorey** has already developed three radical new products.		04:32 04:40

Script	VO/SOT	Time
The first - **Cosmos** - represents an entirely new Assistive Technology system empowering a disabled person - including children - who can only activate **one** switch - such as a **NeuroNode** - to seamlessly switch between learning programs, Android, Apple devices, communication applications, **Xbox** gaming, the **Obi** dining robot, and a device that even enables them to feed their pet remotely.		05:04
Therapists are already asking for it for a range of clients… and ordering it as a standalone system.		05:10
Where Australia's NDIS and US insurance companies require a therapist's approval to fund our other devices such as NeuroNode and our Trilogy eye-controlled system… Cosmos can be sold directly to a client or therapist.		05:23
This represents our first opportunity to sell one of our devices online… ...so this month we are launching our **eCommerce** site to sell **Cosmos** directly to the world. This marks a strong entry for us … with more to follow.		05:37
As we showed in Japan this year, **NeuroNode** can now control Assistive Technology in any language on iPhones, iPads, PCs and - later this month - Android and Galaxy phones.		05:48
As you've heard this morning, we've just brought our first clients on line in Japan, controlling their Japanese Assistive Technology with our NeuroNodes.		05:58
With this we have broken the language barrier, and can offer NeuroNode control to any region with their Assistive Technology, in any language		06:06

Script	VO/SOT	Time
NeuroNode has proven to be a revolutionary new communication system for people with disabilities around the world.		06:12
Originally, our first device was the size of a shoebox… now as you know NeuroNode is **this** small…. wireless, wearable, 24 hour rechargeable battery… a life changing, game changing AT device….		06:25
Seriously cool - BUT we need to evolve… we wanted to offer more… with less….		06:32
Our NEXT mission at CBX was to make this NeuroNode smaller… LIKE THIS NeuroRing ≪**show NeuroRing**≫ It is still in trial phase…. with Bluetooth connectivity, and just spatial switching… BUT...		06:46
...It has already been so effective in early trials this year that some clients and their therapists have insisted on getting a NeuroRing when they bought our flagship NeuroNode Trilogy system.		06:55
NeuroRing presently works on tiny movement… of a finger, or toe… or a raised eyebrow… no EMG… yet.		07:03
So this year, we are developing the next generation…		07:07
...We're making it wearable like NeuroNode... with wireless control, like NeuroNode... with a chargeable battery and a sealed casing that is waterproof...		07:15
… and we're making it really, really small… so it can be worn…. like a BANDAID…		07:21

Script	VO/SOT	Time
After TWENTY years of developing groundbreaking devices for people with the most severe disabilities, our bionic technology is about to help everyone with a common, inevitable disability: growing old.		07:35
We're designing it not just for people with disabilities - who will always be at the moral and compassionate core of our technology…		07:41
...you may find you need and want this for someone you care about...		07:46
This is **NeuroStrip**. ≪SHOW **NeuroStrip**≫ … This is the micro-motherboard containing all the key electronics. Right now if you or your parents are contemplating life in an aged care facility, you already know about the red Button devices.	SLIDE: NeuroStrip on James's hand	07:48 07:53 08:01
If someone has a fall.. or a medical incident, they can press the Red button…. for help. BUT if they've had a fall or a heart attack or a stroke, they're very likely dazed or even unconscious… unable to press the button… when time is vital.	SLIDE 01: Red Button	08:06 08:16
We're designing the **NeuroStrip** to be worn discretely like a BandAid… using the technology we've been refining for more than 20 years…	SLIDE: Graphic of NeuroStrip on sternum	08:24
One potential application we are exploring: if it detects you have a fall or other medical incident, it is designed to call for help - an ambulance, hospital, your specialist - automatically through your iPhone or Android phone.		08:36
We have also Beta tested some of our technology in the Intensive Care Unit of a major Australian teaching hospital.		08:44

Script	VO/SOT	Time
A patient who could not move or speak or press a **nurse call button** - was able to use their NeuroNode connected to their iPhone to send a message to the duty nurse's mobile phone, and ring the phone on the nursing station desk... calling for assistance.		09:00
The patient loved it. The ICU staff loved it because they could respond in seconds instead of critical minutes.		09:05 09:11
User trials of the expanded system will begin next month.		09:17
We aim to enable a person to live at home safely and confidently for as long as they wish instead of going into aged care.		09:25
We think this has the potential to enhance their Quality of Life… and lower the expanding Sovereign cost to states and the nation of aged care, as the population grows older.		09:38
Our technology is FDA listed and registered in the USA, and here in Australia with the TGA, and our first products going to Europe have the CE mark.		09:45
While **CBX** continues to develop our next generations of technology… we continue to expand our strategic alliances.		09:55
Our NeuroNode and Cosmos can enable a person to drive their powered wheelchair with EMG signals.		10:00
We've tested it driving leading electric wheelchairs.		10:04
And Rob Wong has been working with our Drove R&D team at Deakin University with another leading global wheelchair manufacturer - under an NDA - to enable a powered wheelchair to drive itself to any preset location in the house.		10:19

Script	VO/SOT	Time
It can be controlled with NeuroNode, our eye tracking Trilogy, or voice.		10:25
They have also incorporated SafeTrack collision avoidance that stops a chair at any obstacle.		10:30
Initial market testing and user trials are getting enthusiastic support.		10:36
CBX is also continuing our ongoing Research and Development of gaming controls. This is how Mike Phillips - who could not move or speak - used our technology to play World of Warcraft - and Air Superiority fighter games.		10:49
And we have been trialing our NeuroNode controller to drive a virtual vehicle in VR - Virtual Reality… and have formed a strategic alliance with Australian VR company Start Beyond to develop this technology.		11:03
We are also developing a wearable computer mouse which can be used in a number of disability and consumer applications including computer gaming.		11:13
We are designing our devices with research here in Australia and Computer Aided Design in Sydney, and emailing them to our US office where we can 3D print a new design within hours… giving us massive flexibility.		11:29
We can scale up as fast as needed using robotic production and guaranteed IP security.		11:36
The pacemaker and Cochlear implant heralded the beginning of the Bionic Age.		11:40
With 20 years experience developing the skillsets and institutional knowledge to create progressively new bionic devices, and Assistive Technology - Control Bionics is already a leader in this field.		11:52
This is the Bionic Age…		11:55
...this is the age of Control Bionics.		11:59