



Corporate Presentation September, 2017

- > Sleep Diagnostics & Treatment
- > Neuro Diagnostics
- > Brain Research
- > Ultrasonic Blood Flow Monitoring



Who is Compumedics?

A leading global, innovative developer and manufacturer of medical devices for:

Diagnosing
sleep disorders

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

Highly sophisticated
brain research

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

A technological leader in its chosen markets:

#1 Australian sleep &
neuro diagnostics device
supplier

#1 Japan sleep
diagnostics device
supplier

#1 China sleep
diagnostic device
supplier to premier
facilities & #1 TCD device
supplier

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

- FY17 revenues \$34.4m, FY17 EBITDA \$2.8m.
- FY18 Guidance revenues \$40m to \$42m, EBITDA \$5.5m to \$6.5m.
- 120 employees across four locations, Melbourne, Australia (Head Office), Charlotte, NC, USA, Hamburg and Singen, Germany.
- Compumedics listed ASX Dec 21, 2000. CMP has market capital of around \$80m.

FY2017 – Performance Review

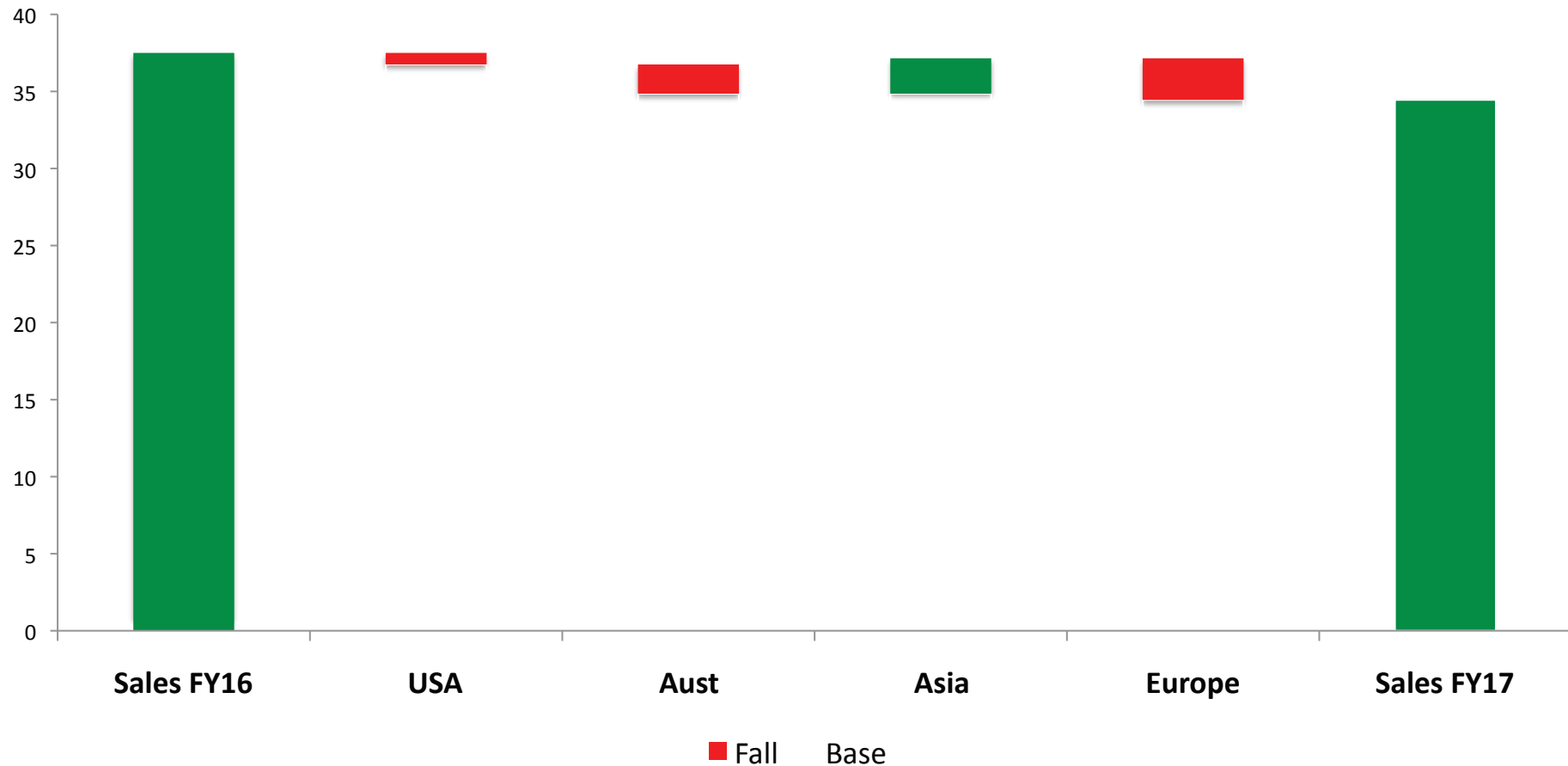
- FY17 Revenue (reported) \$34.3m, EBITDA (reported) \$2.8m, NPAT (reported) \$1.3m

	FY17	FY16	Variance	Comment
Revenue - reported	\$34.4m	\$37.5m	(8)%	US sales (8) % on PCP and new general and sales leadership now in place, along with new and incremental sales representatives.
EBITDA - reported	\$2.8m	\$5.0m	(44)%	Profitability and operating cash remain positive, validating changes made to product composition. Reported EBITDA post \$1.2m US restructuring costs.
NPAT-reported	\$1.3m	\$3.3m	(60)%	Current year contains favourable adjustment of \$0.3m relating to adjusting of a deferred tax asset. \$0.5m favourable in PCP.

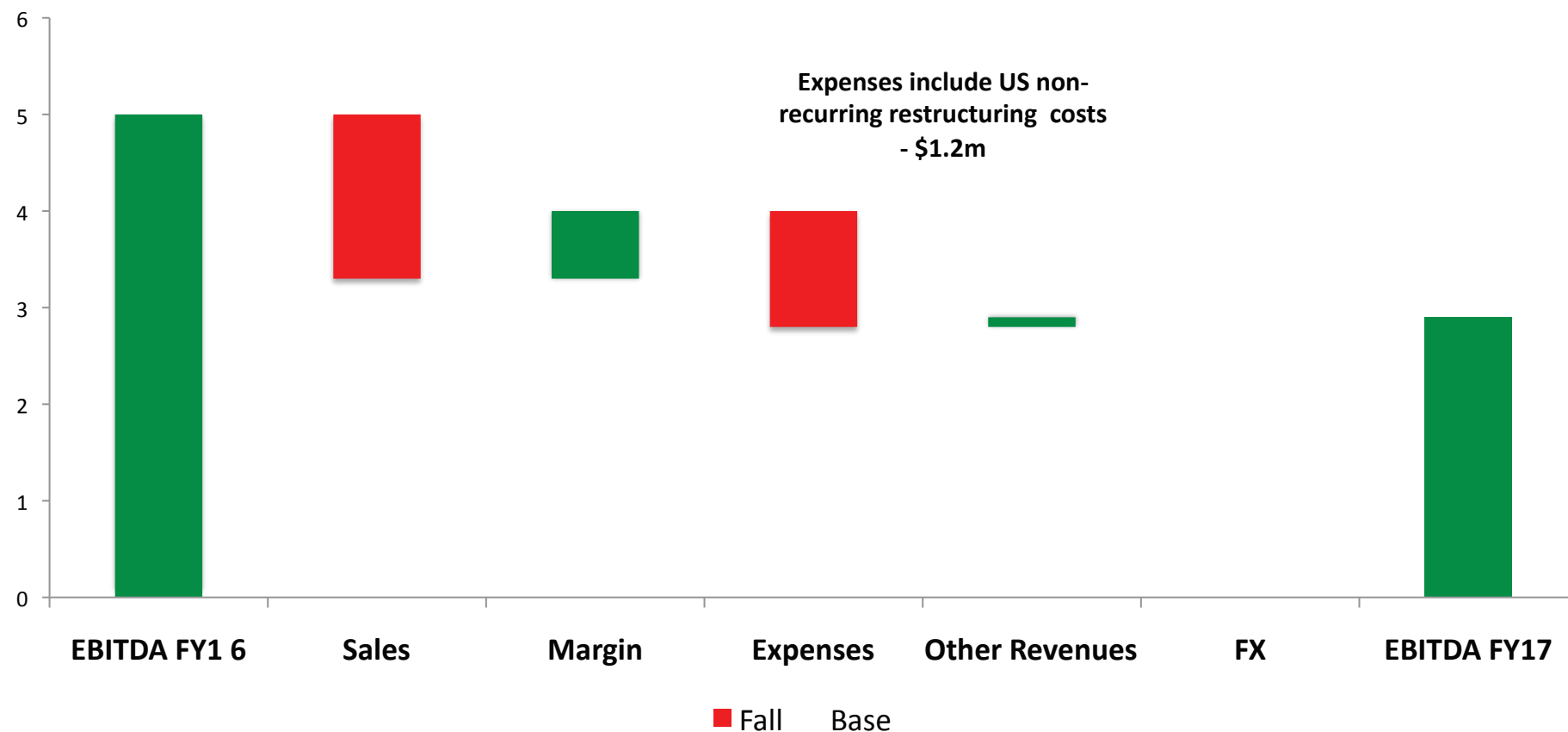
FY2017 – Performance Review

- Core: New general and sales leadership, and sales operational changes now largely in place in US. US sales FY2017 8% below pcp. US business poised for solid FY18 performance.
- Core: Asia business and China in particular strong with 33% lift in sales over pcp.
- Core: Profitability and operating cash remain positive, despite sales shortfall, validating changes made to product composition (new low cost Graef devices) and the selective outsourcing of production, along with other efficiency gains
- MEG growth initiative: Major MEG milestone achieved with first sale secured with Barrow Neurological Institute in Phoenix, AZ, USA, for delivery in H2 FY18. Further MEG opportunities being pursued.
- eHealth growth initiative – 10 sites in US secured for Nexus 360 (professional application) for a minimum \$330k (USD250k) pa. Somfit (consumer application) third party discussions continue.

Sales Bridge Chart – FY16 versus FY17



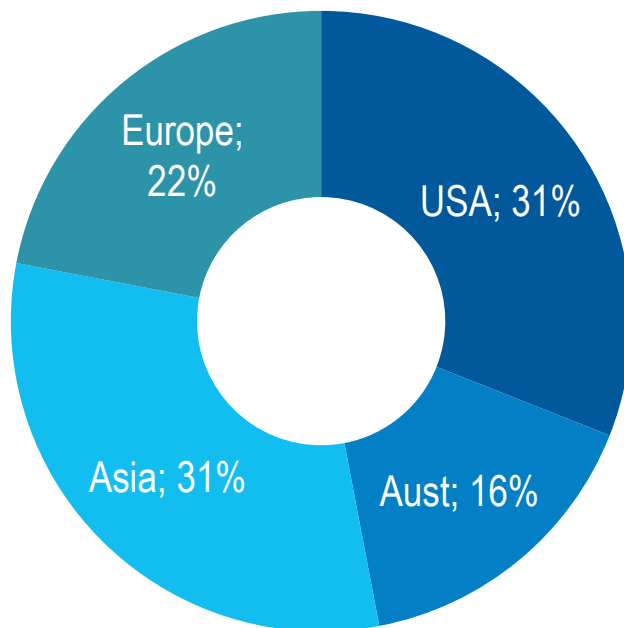
EBITDA movement – FY16 versus FY17



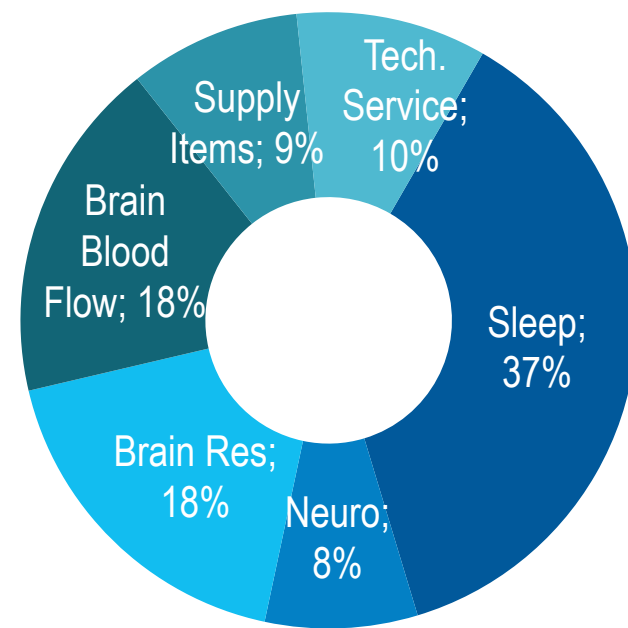
Revenue Composition at \$34.4m

30 June 2017

By geographic region



By product/market

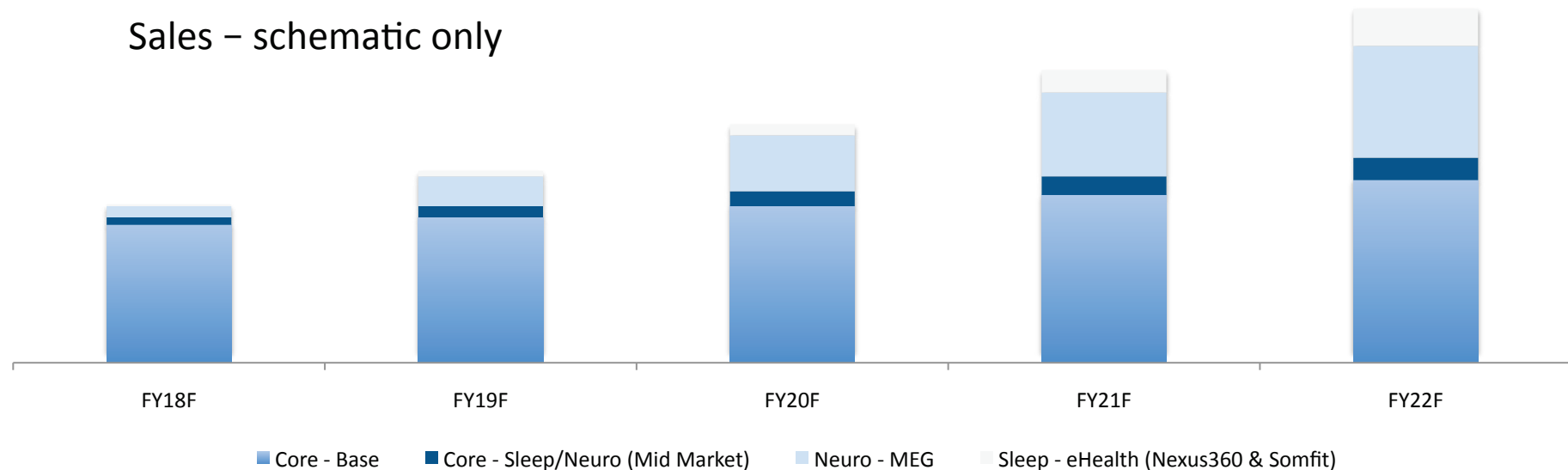


Software upgrades 5 to 10% of system sales

Compumedics sells directly to end-user customers in Australia, USA and Germany and through its network of more than 50 distributors to all other parts of the world

Growth Platform – Core and Step-Out

Sales – schematic only



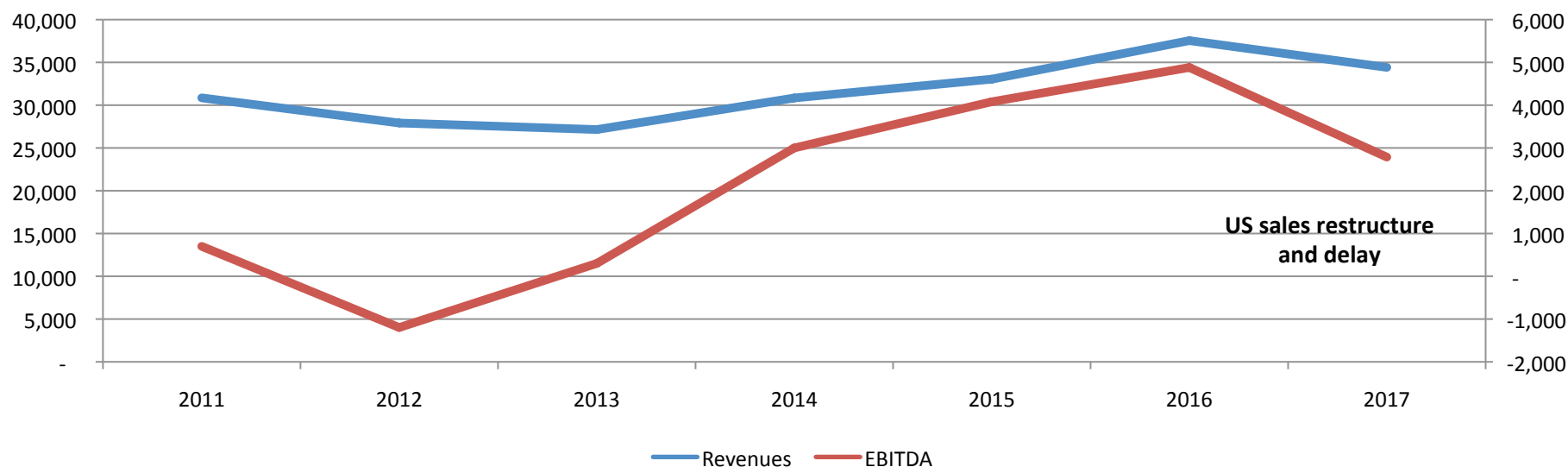
- **Step-out - NEURO – BRAIN IMAGING** – Winning the new MEG* sale with Barrow Neurological Institute in Phoenix, AZ, USA validates that we can transition from a USD30k software sale to a USD4.0m complete system sale. Delivery scheduled for H2 FY18, other sales opportunities being pursued.
- **Step-out - SLEEP - CLOUD GROWTH** – Nexus 360 cloud-based professional sleep diagnostic solution sold to 10 sites in the US during FY17 to generate a minimum of \$330k (USD250k) pa. Other sites in the US being pursued, China to follow.
- **Core - SLEEP & NEURO – DIAGNOSTIC GROWTH** – By adding mid-market devices we expand and lower the cost base of our product range, enabling us to lock in our premium market dominance, and boost sales in the US and China initially and then Europe, with Germany as a specific focus

*MEG = Magnetoencephalography

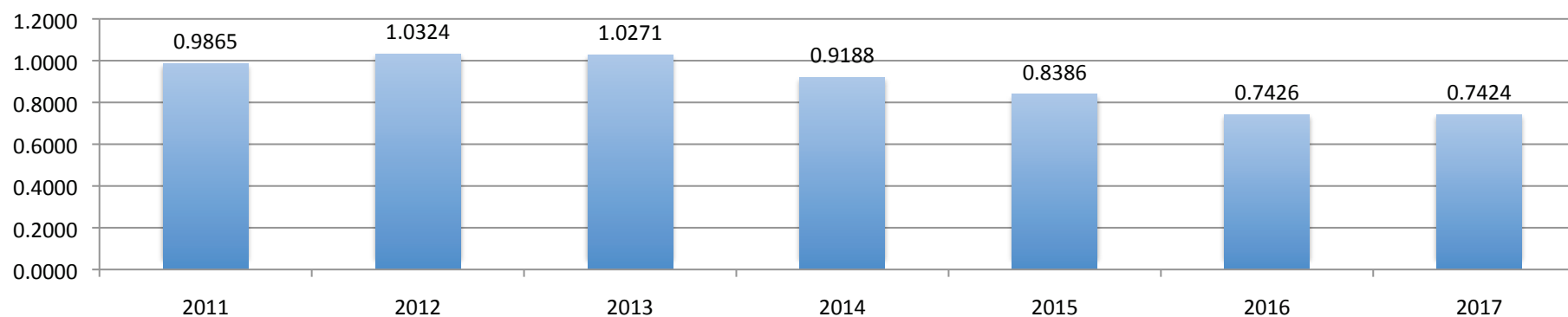
Core Business – Premium Focus

	Sleep Diagnostics	Neuro Diagnostics – Clinic	Neuro Diagnostics - Research	Brain Blood Flow Diagnostics
Global market – USD pa	250m	1,300m	20m	15m
Compumedics market share (approximate)	6%	<1%	30%	35%
Compumedics market position	Aust – 1 USA – 3 China - 1	Aust – 1 USA – 3 China - 1	Aust – 1 USA – 1 China – 1	Aust – 1 USA – 2 China – 1 Germany – 1
Business and product type	Capital equip – hardware and software	Capital equip – hardware and software	Capital equip – hardware and software	Capital equip – hardware and software
Annuity revenues – ~ % of total – supplies & support	15%	10%	5%	5%

Core Business – US impact, profits maintained



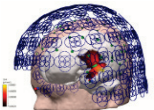
AUD/USD exchange rate



Core Business – Restored Net Cash Position

\$m	FY11	FY12	FY13	FY14	FY15	FY16	FY17
Cash	1.2	1.1	1.3	1.1	2.2	3.1	4.1
Trade receivables	10.2	8.7	8.1	8.6	9.8	11.9	13.1
Inventories	5.7	5.3	5.5	6.1	5.7	6.5	7.4
Prod. dev't	4.2	4.0	3.5	2.9	2.7	2.4	2.4
Tax asset	0.9	0.0	0.0	0.0	0.0	0.5	0.8
PP&E	0.8	0.8	0.7	0.7	0.8	0.8	0.7
Other	0.0	0.0	0.0	0.2	0.5	0.9	0.7
Assets	23.1	19.9	19.1	19.5	21.7	26.1	29.2
Trade cred.	4.7	5.0	4.7	4.7	4.4	4.1	4.2
Borrowings	2.8	2.1	2.3	2.0	2.0	2.6	0.7
Def. payment	0.9	1.4	1.4	1.4	1.6	2.0	1.6
Other	2.0	2.1	2.2	2.3	2.5	2.8	2.7
Total Liabilities	10.3	10.7	10.7	10.4	10.4	11.5	9.2
Net Assets	12.8	9.2	8.4	9.2	11.3	14.6	20.1
<i>Debt/Equity</i>	<i>13%</i>	<i>11%</i>	<i>13%</i>	<i>11%</i>	<i>-2%</i>	<i>-3%</i>	<i>-17%</i>

Core Business – Adding Mid-Tier Range

Product		Used for	Bought by	Average selling price
Grael family		Sleep and neurology, high end and price sensitive models	Hospitals, doctors and service providers	USD11,500 to USD17,500
Somte PSG		Sleep	Hospitals, doctors and service providers	USD10,000
Siesta		Sleep and neurology	Hospitals, doctors and service providers	USD18,000
Neuvo LTM		Neurology	Hospitals, doctors and service providers	USD35,000
Synamps RT		Brain Research	Universities and teaching hospitals	USD38,000
CURRY		Brain research and neurology	Universities, teaching and regular hospitals	USD20,000

Next Generation Growth – Core *and Step-out*

	Sleep Diagnostics	Neuro Diagnostics – Clinic	Neuro Diagnostics - Imaging	Brain Blood Flow Diagnostics
Next generation growth platform	Cloud based sleep diagnostic platforms for both professional and consumer applications	Long term epilepsy market penetration into US, Europe and Asia	Leverage CURRY software into full MEG solution with KRISS	Leverage existing TCD technology and patent to Traumatic Brain Injury (TBI) application
Market potential	Professional application > USD3bn pa Consumer application > USD50bn pa	Greater than USD100m pa	Research only USD100m pa Brain Imaging >USD4bn pa	Estimated cost of TBI's in the US alone greater than USD76bn pa
Business type	Services – fee per service	Capital equipment – bigger market	Capital equipment & Partnership – new market	Mixture of equipment and service fees

Core Business - Growth Drivers



Compumedics/NeuroScan LTEM innovative brain analysis software and high performance amplifiers are unrivalled world class technology



We have >20,000 systems installed worldwide. Strong reputation and brand name. Customers like buying from Compumedics.



Earnings initiatives to continue to flow through in FY18 – FY20. Lower cost base enables addition of mid-tier plus further manufacturing and operational efficiency gains.



Opportunity to significantly grow the USA business based on the sales and marketing management and operational changes now implemented



Expansion into untapped German market



Push into the Chinese neurology market

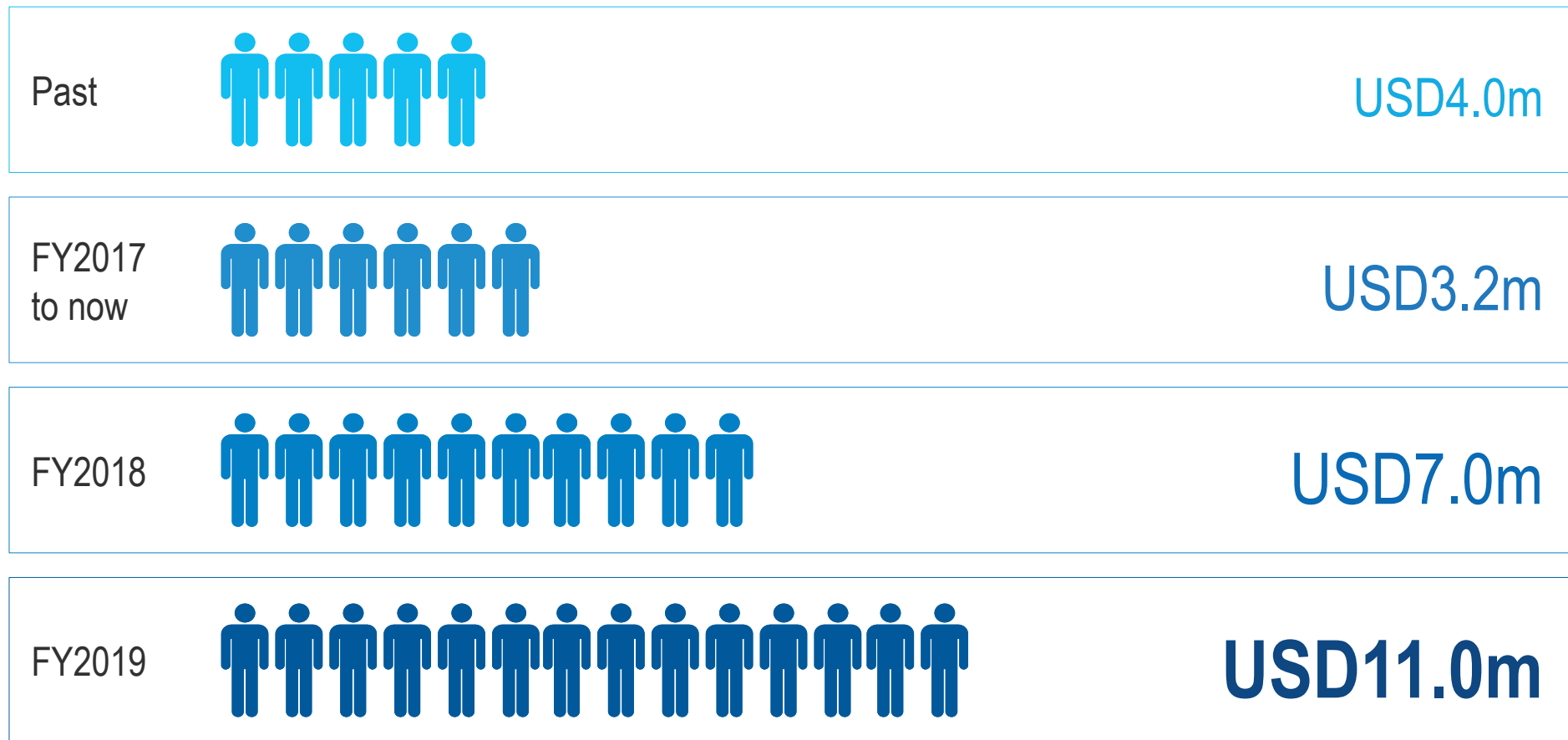


Ideally positioned to accelerate organic growth and value realisation

USA – CMP is number 3 Supplier

USA Clinical Sales Force Expansion - Indicative

More sales representatives = more revenue for both sleep and neurology

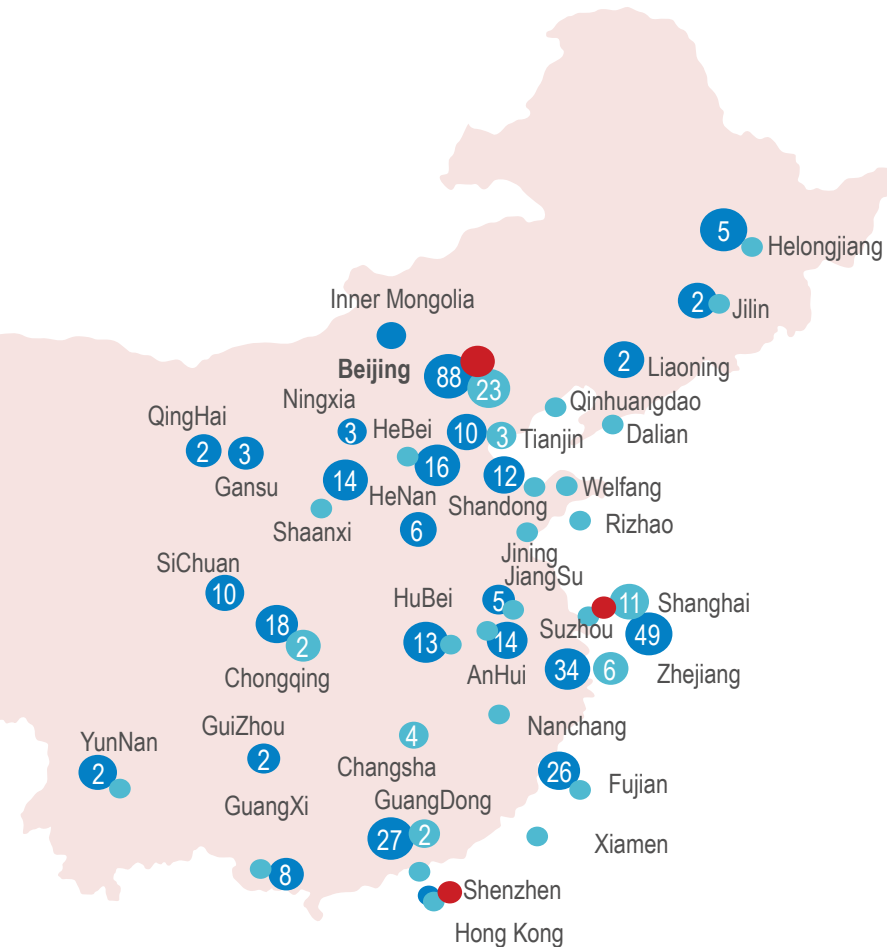
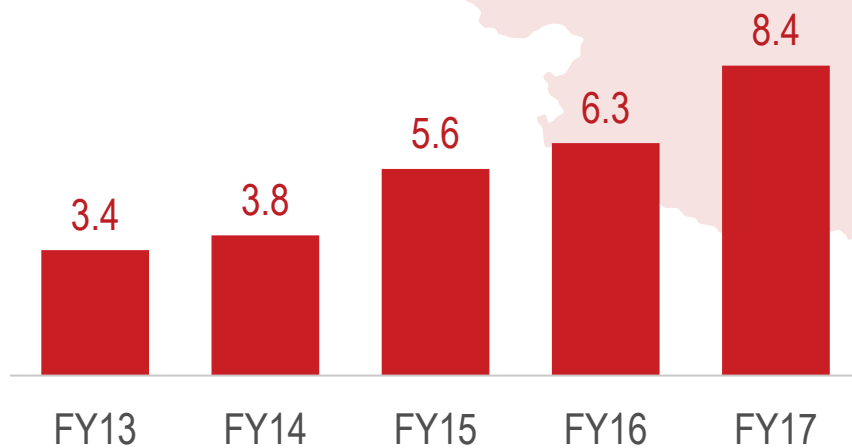


China - We are the number 1 Premier Supplier

Compumedics Clients in China

- Sleep
- Neuroscience
- Neuroscan

China Sales (invoiced) – USD's



Step out 1 - Brain Imaging: 1st sale secured

Opportunity

CMP's CURRY brain analysis software is already the gold standard for the MEG* market
MRI** is too slow to capture dynamic brain activity needed for Alzheimer's et al

CMP's agreement with KRISS provides access to a new and superior hardware platform

Compumedics can access a complete MEG sale (circa USD3 to 4m each) as opposed to the USD30k software sale

Market & Competition

The MEG market is currently estimated at about 20 systems a year at an average selling price of USD4.0m each = US\$80m/annum

This is expected to grow about 10% a year, excluding China

It is estimated that China could more than double the existing market size to about 50 units a year

The dominant existing player is Elekta, based out of Sweden, followed by Yokogawa (Japanese market) and CTF MEG (a much smaller player)

Plan

H2 FY17 – secured first sale to US based Barrow Neurological Institute

H2 FY18 – ship and install first MEG sale

H2 FY18 – Secure second and possibly third MEG sales

FY19 – gain FDA for MEG in US for clinical application

Outcome

CMP plans to sell and install 1 MEG systems in FY18

CMP expects to sell at least 2 MEG systems in FY19

CMP expects to double sales in FY20 to 4 to 5 MEG systems for about USD20m

*MEG = Magnetoencephalography

**MRI = Magnetic resonance imaging



Step out 2 - eHealth – Cloud Sleep Diagnostics

Nexus 360 (professional cloud sleep diagnostics) sold into 10 US sites. Will generate minimum of \$330k (USD250k) annually. Initial pilot sites in China, slower traction than anticipated there. US will continue to offer opportunities in the short-term.

Operational systems have been developed for the cloud based capture, transfer and translation of medical grade sleep parameters from any web-enabled device. The system can then store, analyse and interpret that data in a simple and actionable manner, reducing the need for on-site professionals.

Compumedics are now approaching a select group of strategic partners/ investors to expedite the process and rapidly deploy the platform to market.

Key partners being pursued include web, telco, eHealth, consumer health/ electronics providers and device manufacturers.



Directors & Executive Team Key Management



David Burton, Ph.D.
Executive Chairman, CEO
Founder, Tenure 26yrs



NED - Mr. Alan Anderson
Leading USA Attorney
CMP Tenure : 11 yrs



Mr. David Lawson
Chief Financial Officer
& Company Secretary
CMP Tenure 13 yrs



Mr. Warwick Freeman
Chief Technology Officer
CMP Tenure 15 yrs



Kerry Hubick, Ph.D.
Trademark, Patent &
General Legal Attorney
CMP Tenure 7 yrs

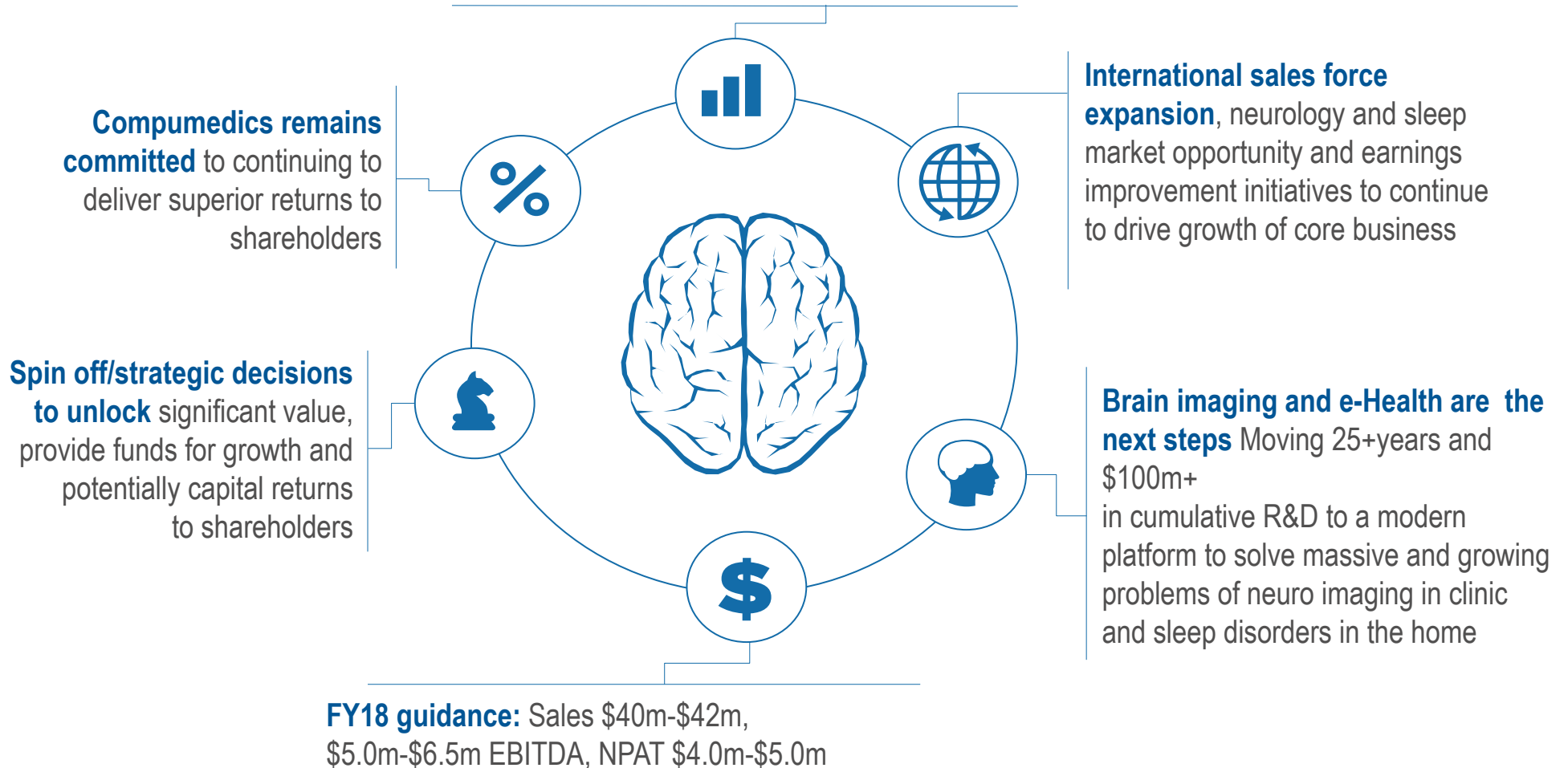


Mr. Christoph Witte
General Managing Director
Compumedics Germany GmbH CMP/
DWL - Tenure 24 yrs



Investor Summary

Core business profitable with on-going growth opportunities in key global markets



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