



Company Announcement

Friday 25 May 2018

Compumedics Signs Major Distribution Agreements in China Worth a Minimum \$15 Million

Highlights:

- New three-year distribution contracts with three existing, long-term, China-based, sleep and neuro-diagnostic and monitoring distributors
- New agreements with minimum sales commitments, over three years, of A\$15m (US\$11.3m)
- Additional new A\$1.5m (US\$1.1m) order received for shipment by 30 June 2018
- Underpins Compumedics on-going growth in core products for China, now running at an average of 20% pa, for the last five years
- Compumedics has over 1,700 sleep and neuro diagnostic and monitoring systems installed in China at 535 hospitals and 333 universities; seven of the top ten hospitals in China have Compumedics equipment

Compumedics Limited (ASX: CMP) ("Compumedics" or "Company") is pleased to announce that it has negotiated new three-year distribution agreements with three of the Company's long-standing distributors in China, for Compumedics sleep and neuro-diagnostic and monitoring systems.

The agreements are worth approximately A\$15 million (US\$11.3m) in minimum sales commitments over the next three years to the company.

In addition, a new A\$1.5 million (US\$1.1m) order has been received and will be shipped by 30 June 2018.

These new distribution agreements follow an announcement on [1 May 2018](#) that Compumedics' Germany-based business, DWL, has received a new A\$2.9 million sales commitment for the next 12 months, from its long-term distributor in China.

These announcements underpin Compumedics' future growth in China, which has averaged approximately 20% pa over the last five years. The agreements affirm Compumedics' dominant position in China in the areas of sleep diagnostics, brain research and DWL's Trans-cranial Doppler (TCD). More than 2,000 Compumedics systems have been installed at more than 600 hospitals and more than 333 universities across China. Seven of the top ten hospitals in China have Compumedics equipment.

Dr David Burton, Chairman and CEO of Compumedics, said:

"The Company is pleased to have finalised these agreements with our respected Chinese distributors. These sales commitments not only generate important new revenue for Compumedics but also confirm the importance of the Chinese market for the Company.

"With more than two decades of experience in China, Compumedics has over recent years enjoyed the benefits of this strategic investment in sales, marketing, technology and development, with an average 20% per annum growth over the last five years and we expect that this growth should continue in the double digits over the foreseeable future.

"Compumedics has worked with its Chinese partners to build a foundation for future growth in one of the world's most challenging and highest-growth markets. As a result, the Company is well positioned to capture continued growth in sleep diagnostics, as well as expanding further into neurological monitoring, a relatively new and untapped market in China and other parts of Asia.

"We are proud that Compumedics systems are installed at seven of the top ten hospitals in China. We are the vendor of choice at many other leading hospitals in China. Compumedics will continue to use its position in China to not only grow these businesses but we will carve out a market position in neuro diagnostics over the coming years. Close to half our new sales commitments are for the supply of neuro diagnostic and monitoring equipment into China."

About Compumedics Limited

Compumedics Limited [ASX: CMP] is a medical device company involved in the development, manufacture and commercialisation of diagnostics technology for the sleep, brain and ultrasonic blood-flow monitoring applications. The company owns US based Neuroscan and Germany based DWL Elektronische GmbH. In conjunction with these two subsidiaries, Compumedics has a broad international reach, including the Americas, Australia and Asia Pacific, Europe and the Middle East.

Executive Chairman Dr David Burton founded Compumedics in 1987. In the same year the company successfully designed and installed the first Australian, fully computerised sleep clinic at Epworth Hospital in Melbourne. Following this early success, Compumedics focused on the development of products that sold into the growing international sleep clinic and home monitoring markets.

Compumedics listed on the Australian Securities Exchange in 2000. Over the years, Compumedics has received numerous awards, including Australia's Exporter of the Year, and has been recognised as a Top 100 Innovator by both German and Australian governments.



For further information please contact:

Dr David Burton
Executive Chairman, CEO Executive Director
Ph: + 61 3 8420 7300
Fax: +61 3 8420 7399

David Lawson
Chief Financial Officer
Ph: + 61 3 8420 7300
Fax: +61 3 8420 7399

Investor Relations, Media & PR enquires:

Rod North
Managing Director
Bourse Communications Pty Ltd
Ph: +61 3 9510 8309
Mob: 0408 670 706

Richard Allen
Oxygen Financial PR
Ph: + 61 3 9915 6341
Mob: 0403 493 049