

ASX Announcement
15 September 2014

NEW US\$5M COMPUMEDICS DEAL WITH CHINA TAKES EHEALTH BUSINESS FOCUS IN ASIA TO US\$9M

- **New contract signed with Bestmed (China) with potential revenue of US\$5 million over the next three years growing to US\$13.2 million within five years**
- **Company has now secured total contracts for its eHealth platform with potential incremental revenue of US\$9.1 million over the next three years**
- **Contracts progress the pre-commercialisation phase with its cloud-based sleep diagnostic and monitoring platform for physicians and consumers**

Compumedics Limited (ASX: CMP) is pleased to announce it has achieved another critical milestone in the development of its new mobile health (eHealth) platform by securing a key contract with the Company's primary distributor into China, Beijing Bestmed. The new contract commits Bestmed to revenues of US\$5 million over the next three years for Compumedics new eHealth platform and potential growth within the five-year period to US\$13.2 million. Compumedics and Bestmed are currently number one in the Chinese market for imported sleep diagnostic equipment.

Since 2013, Compumedics has focused on transforming the Company's sleep-diagnostic technology into a fully integrated cloud-based solution for monitoring and diagnosing sleep. This solution will apply to the laboratory level under physician care as well as to the consumer at home. These new Compumedics Medical Innovation (CMI) Services have a highly promising five-year market growth outlook estimated between US\$50 billion and US\$70 billion for wearable technology, US\$8 billion for mobile health and US\$35 billion for telemedicine.

Securing this new contract is another significant step for Compumedics as it will enable the completion of the first round pre-commercialisation phase for the eHealth platform. In accordance with the Company's commercialisation plans, it has now secured key initial partners in order to finalise the products, technology and the platform. This US\$5 million Compumedics contract follows the Company's announcement in early July regarding the signing of four contracts in other key markets in Asia totalling US\$4.1 million.

Compumedics is continuing its discussions with additional partners and believes the strategy is now well validated, given the agreements already in place with the five partners representing the most dynamic economies in the Asian region. There are currently no known competitors in this domain.

In commenting on this important Asia region and strategic company development, Dr David Burton said, "Compumedics is a pioneer in sleep diagnostics and is uniquely placed to develop and introduce this next generation of sleep and neurology-diagnostic technology. Enabling unique online eHealth services enhances user experience outcomes for consumers, patients and professional health-carers, alike. These professional health services contracts position the company for a more expansive series of upcoming professional services deals.

"Importantly these developments serve as a precursor for discussions with major web technology and global orientated telecommunications companies, who share the vision to provide highly accessible and uncompromised personalised healthcare everywhere.

"These new CMI eHealth projects continue to provide the scale, infrastructure and impetus for our new professional eHealth (eHealthMEDICS) and consumer eHealth division (eLifeMEDICS) to reach out to organisations more progressive health organisations focussing on wide-reaching, sustainable, quality health solutions. "We have chosen the initial partners due to their ability to work with us in establishing and fine-tuning the model for their respective territories and their ability and contacts within the market to drive

acceptance of the service delivery. Once the model and system is mature we will bring in additional partners in existing and new markets.”

Sleep Monitoring Background:

Compumedics Group of Companies have installed turn-key monitoring centres in the vast majority (600) of Australian Hospitals Universities and associated neurology and sleep diagnostic monitoring centres. World-wide Compumedics have installed over 20,000 of our patient monitoring systems including a large proportion of the world’s finest research and clinical key opinion-leader centres such as Yale School of Medicine, Stanford University, Albert Einstein College, Harvard University, Mayo Clinic Foundation, University of Tokyo and Beijing University and many others. Compumedics sleep monitoring systems were Harvard Medical School for the most recent home sleep-testing study headed by Prof. Susan Redline (original head researcher for SHHS). In 1995 Compumedics was selected from a world-wide field of 22 sleep device manufacturers to supply equipment to the US Sleep Heart Health Study (SHHS), the world’s largest sleep study of its kind, with the order of 10,000 home monitored sleep studies recorded between 1995 and 2003 (<http://physionet.fri.uni-lj.si/pn3/shhpsgdb/>). The contract established Compumedics across 13 key opinion leader centres throughout the USA and helped establish Compumedics as USA’s leading sleep monitoring technology company together with being Australia’s exporter of the year.

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 Americas; Australia and Asia Pacific; and 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 and accolades including Australia’s exporter of the year and has been recognised as a Top 100 Innovator by the both German and Australian Governments.

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