



Company Announcement

Preliminary 30 June 2021 Business Update:

Delivering Sound Financial Position with Resumption of Growth Focus

19th July 2021

Company Highlights

Core Business (preliminary unaudited data)

- FY21 revenues approximately \$35.6m compared to \$35.1m in FY20. FY21 to FY20 revenue growth in France, Germany, and other parts of Europe and the DWL business, offset by declines in Asia, with the USA and Australia consistent with the prior year
- Revenue growth on a constant currency basis is 8.5% (FY21 AUD/USD at 0.75, compared to 0.67 for FY20)
- Improved positive EBITDA for FY21 should result from revenue stability and ongoing expense mitigation measures taken, and ongoing various Government COVID-19 assistance obtained in H1 FY21
- Cash improves at 30 June 2021 to \$6.1m (\$5.6m at 31 December 2020), borrowings stable at \$4.2m (\$3.7m at 31 December 2021)
- Guidance for FY22 will be reviewed closer to Appendix 4E release assessing lingering impacts of the COVID-19 pandemic at that time. Currently the Appendix 4E is planned for release around August

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MEG and Somfit

- MEG – The Company continues to progress the installation of its first MEG system at Barrow Neurological Institute in Phoenix, Arizona, despite the COVID-19 impacts of lockdowns and border restrictions
- The Company continues to pursue other MEG opportunities
- Somfit – the Company has progressed a number of research and collaborative arrangements as part of the validation and commercialisation of the Somfit technology over FY21
- Compumedics is in active discussions with interested third parties in relation to potential initial commercial applications for the Somfit device

Compumedics Limited (ASX: CMP) (“Compumedics” or “Company”) wishes to advise preliminary revenues for FY21 are approximately \$35.6m or 1% higher than the \$35.1m achieved in FY20. On a constant currency basis revenue increased 8.5% from FY20 to FY21.

The Company is pleased its key offshore markets in the US and Europe, including France and Germany, either grew or performed in line with the prior year. This is particularly relevant as these markets remained impacted by the pandemic through the northern hemisphere winter, which ended during H2 FY21. Importantly, these markets continue to show strength as we commence FY22. Asia, and China in particular, remain problematic from a pandemic and geopolitical point of view. The China-based sleep and neurological business remained significantly behind pre-pandemic levels, whilst the brain research (Neuroscan) and DWL businesses increased to pre-pandemic levels in China. In Japan, business was down 27% from the prior year due to the ongoing market impacts of the pandemic.

Due to the overall stability of the Company’s revenues, the expectation is for an improvement in EBITDA performance in FY21 from the prior year. The Company has also continued with a strong balance sheet with cash increasing to \$6.1m, from \$5.6m at 31 December 2020. Borrowings also remained stable at about \$4.2m compared to \$3.7m at 31 December 2020. The Company continues to achieve this balance sheet strength through an ongoing focus on working capital management, and continued expense management.

The Company understands the unavoidable disruption to our customers globally, as the COVID-19 pandemic and the measures taken to control it evolve. However, these threats continue to abate as vaccine rollouts progress satisfactorily in our key markets around the world.

Compumedics continues to actively pursue additional MEG sales, which have been delayed and impacted by the pandemic. The Company also continues to progress the installation of the dual-helmet Dewar at Barrow Neurological Institute (BNI) in Phoenix, Arizona, USA.

The Company has executed several research and collaborative arrangements during FY21 for the Somfit technology as part of its commercialisation path. The Company is engaged with third parties in relation to initial commercial applications for the Somfit technology.

Compumedics will provide more detailed information when it releases its appendix 4E, which it currently anticipates will be around 26th August.

The Board of Directors and management of Compumedics would like to thank our dedicated staff for helping our Company and clients through these challenging times. In particular, we would like to thank our existing and new clients as we continue to focus and work hard to transition through this pandemic as a stronger and more resilient company, focused on a return to strong growth and the realization of our break-through opportunities.

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.

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Authorised for lodgment by Compumedics Limited's Board of Directors