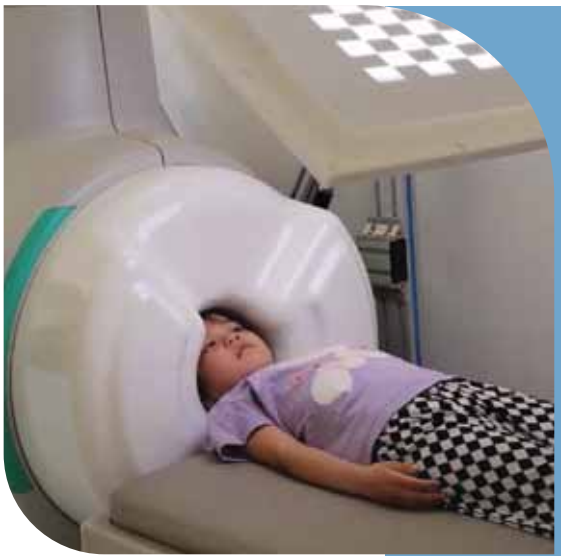
COMPUMEDICS®

'Defining *Life's* Signals'

# 2025 ANNUAL REPORT





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

COMPUMEDICS®

'Defining *Life's* Signals'



Compumedics Limited
ABN 95 006 854 897

**Annual General Meeting**
Thursday, 30th October, 2025
at 10.30am

To be held at:
Compumedics Limited
30-40 Flockhart Street Abbotsford
Victoria 3067 and Virtually

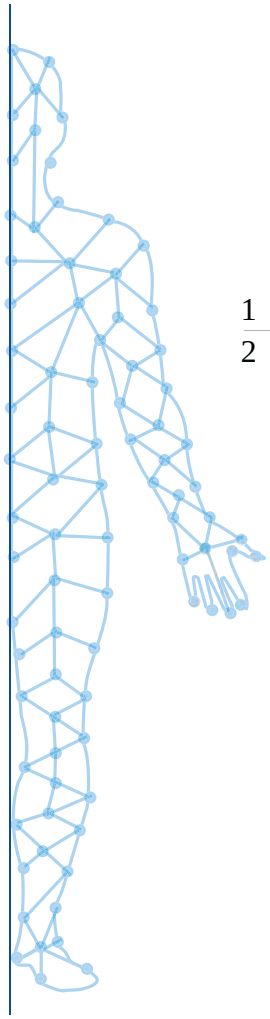
30 OVER THIRTY YEARS OF EXCELLENCE IN DIAGNOSTICS

# Who is Compumedics?

## Compumedics is 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]) |



## Compumedics is a technological leader in its chosen markets:

| | | | |
|---|---|---|---|
| **#1** **Australian** sleep & neuro diagnostics device supplier | **#1** **Japan** sleep diagnostics device supplier | **#1** **China** sleep diagnostics device supplier to premier facilities & **#1 TCD** device supplier | **#3** **USA** sleep diagnostics device supplier and emerging **#3** supplier for neurological monitoring devices |

Since 1987 Compumedics has grown into a company:

- with 175 employees across seven locations, Melbourne, Australia (Home Office), Charlotte, NC, USA, Hamburg, Freiburg and Singen, Germany, Paris, France and Daejeon, South Korea.
- which listed on the ASX on Dec 21, 2000.
- that has generated almost $900m in revenues since listing of which more than $700m have been export revenues.

*All $ = A$ unless otherwise specified*

**David Burton**, Ph.D.

*Executive Chairman and Chief Executive Officer*
*Compumedics Limited*

## *Dear Compumedics investors, colleagues, and business partners,*

On behalf of the Board, management, and the entire Compumedics team, I am pleased to present the Compumedics 2025 Annual Report. Let me begin by extending my sincere thanks to our clients, shareholders, partners, and staff for their continued loyalty, support, and commitment throughout the FY25 year.

FY25 was a year of resilience, disciplined execution, and continued investment in our growth platforms. We strengthened revenue, advanced our SaaS and clinical platforms, and extended our commercial presence across global markets. While external challenges impacted the timing of some large projects, our core business delivered record orders, and our Somfit® SaaS and OrionMEG® LifeSpan breakout businesses achieved important commercial traction.

### FY25 Highlights & Financial Performance

- Record sales orders of **$63.4m** ( ↑ 22% on FY24)
- Record revenues of **$51.0m** ( ↑ 2% on FY24; underlying ↑ 15% ex-MEG)
- **EBITDA increased 9% to $2.9m**, reflecting disciplined cost control and operational leverage.

### Breakout Growth Platforms – Somfit® & SaaS

- Record revenues of **$51.0m** ( ↑ 2% on FY24; underlying ↑ 15% ex-MEG)
- **Somfit® revenues in the USA grew** strongly following FDA clearance, and establishment of USA commercialisation leadership and sales force, reaching **$2.4 million** since the first sales in Q4 FY24
- **SaaS revenue grew to $6.7m** ( ↑ 49% from $4.5m in FY24) across Somfit® and NEXUS 360®
- **With record investments in USA HST business** and Somfit® SaaS NPAT was a loss of $1.9m versus FY24 loss of 0.3m
- **More than 700,000 Cloud/SaaS sleep and neurology studies** have now been completed on the NEXUS 360® platform, with 200,000 conducted in FY25
- **Over 70,000 Somfit® SaaS studies** have also been completed to date, including 27,000 in FY25
- Taken together, this brings the total number of combined Somfit® and NEXUS 360® studies to over **770,000, with 227,000 completed in FY25 alone**
- Expanded HST market leadership in Australia & New Zealand, securing over **75% of the pharmacy-based segment.**

## KEY PERFORMANCE MEASURES

✓ **SOMFIT®**
**SALES LEADERSHIP TEAMS IN PLACE IN USA (SaaS)**

✓ **SOMFIT® D**
FDA CLEARANCE

✓ **TJNU MEG**
SUCCESSFULLY INSTALLED

**SaaS® REVENUES**
▲ $6.7M
UP FROM $4.5M in FY24

**USA REVENUES**
▲ $17.7M
UP FROM $10.5M in FY24

**3 MEG OPEN ORDERS**
▲ 15.0M **SECURED**
SET FOR INSTALLATION IN FY26

**RECORD ORDERS TAKEN**
▲ $63.4M
UP FROM $52.0M IN FY24

**RECORD REVENUE**
▲ $51.0M
UP FROM $49.7M IN FY24

**EBITDA**
▲ $2.9M
UP FROM $2.7M IN FY24

**Breakout Growth Platforms – OrionMEG® LifeSpan Systems**

- Installation of the OrionMEG® LifeSpan system sale to Tianjin Normal University (TJNU), China, was successfully completed and formally signed-off in September 2024.
- Compumedics secured an additional OrionMEG® LifeSpan order in FY25, bringing the total to three systems now in progress for delivery in FY26, representing approximately $15 million in revenue.
- Compumedics, through its collaboration with KRISS and other global research partners, continued advancing its next-generation dual-helmet OrionMEG® technology, positioning the business for further clinical and research adoption.

Further underscoring the strength of the core business profitability, over $6.4m was invested in next-generation growth platforms (medical innovations) including Somfit® sleep-healthcare and the associated health SaaS business model.

Gross margins increased from 52% in FY24 to 55% in FY25, mainly as a consequence of product mix, ongoing operational and manufacturing efficiency initiatives.

## Operations, Quality Regulatory System and Service

### Continued Focus on Quality, Production, Productivity and Overall Operational Performance.

FY25 was another year of disciplined execution for the Company, strengthening our global regulatory foundation, expanding product registrations, and preparing for entry into key new markets. Our ability to meet and maintain the highest international compliance standards underpins customer confidence, accelerates market access, and secures long-term growth opportunities across our portfolio.

FY25 was a year of operational focus and manufacturing advancement.

- **Continued focus of improved on-time deliveries**, with all U.S. orders cleared and invoiced.
- **Significant operational expense reduction**, achieved through freight consolidation, packaging redesign, and inventory improvements.
- **Inventory accuracy improved** to reduce waste.
- KPI achievements: Rates of **Work Order Management, Delivery on-time**, along with **Manufacture and Shipment Quality measures all improved.**
- Outsourced manufacturing expenses reduced from **$5.38m to $3.25m**, reflecting increased internalisation.
- In-housed **Falcon® HST** mainboard production; Somfit® PCBAs prototyped internally.
- SMT line expanded to support throughput, cost efficiency, and margin improvement.

Looking ahead, the Company will continue to internalise PCBAs, transition Falcon® PSG in-house, and pursue cost reset programs with suppliers. The operational and manufacturing advances achieved in FY25 provide the platform for continued margin protection, supply chain resilience, and scalable growth into FY26.

**The Company enters FY26 with a robust regulatory foundation, a widening global footprint, and a clear path to sustainable long-term value creation.**

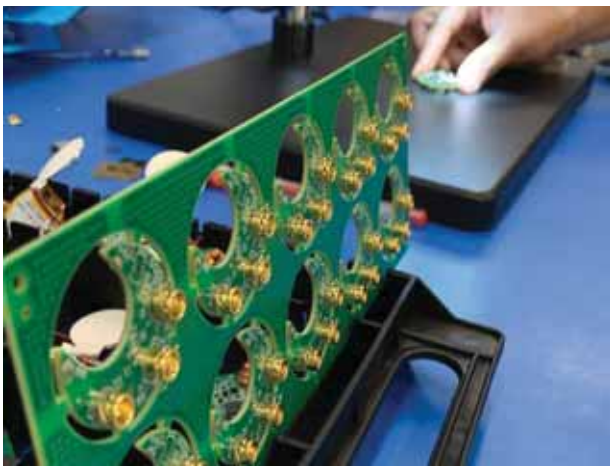
In FY25, Compumedics strengthened its global service platform, enhancing responsiveness, training, and data-driven support.

- Upgraded **call center systems** for faster, consistent responses.
- Expanded **technical support and field service teams**; improved training protocols.
- Launched **ongoing internal training programs** to upskill service staff.
- Extended the **Global Online Training Video Platform for HST** to improve customer education.
- Enhanced **real-time KPI dashboards in Microsoft Dynamics**, providing predictive insights and driving proactive repairs.

These improvements have translated into stronger customer satisfaction and service reliability. Looking ahead, the Company will continue investing in service innovation to match the scale and ambition of its technology platforms.

**Technology & Innovation**

- Milestone of over **770,000 combined SaaS studies completed to date** (Somfit® + NEXUS 360®)
- Ongoing investment in next-generation neuro and sleep technologies, including **DWL's® AI Robotic TCD development**, positioning for strategic partnerships and accelerated global market entry.



Compumedics® in-house production

## Market Size & Growth Drivers

- The **global sleep disorder market** was valued at approximately **US$27.6 billion in 2024**, and is expected to grow at a CAGR of around **10.1% between 2025–2034**. *Global Market Insights Inc.*
- More specifically, the broader **Sleep Disorders market** is projected to exceed **US$78.9 billion by 2033**, growing at ~12.0% CAGR from 2024 to 2033. *Precedence Research*
- The **global wearable sleep trackers market**, part of the sleep-monitoring / home diagnostics sector, was ~US$13.4 billion in 2023, and is forecast to reach ~US$27.8 billion by 2030 (CAGR ~10.8%). *Grand View Research+1*
- In the neuro devices space, the **Neurology Devices Market** was valued around **US$14.3 billion in 2024**, with projections to rise to **~US$28.3 billion by 2034**, at a CAGR around 7.2%. *Global Market Insights Inc.*
- Neurology services (diagnostics, monitoring, etc.), are likewise growing: from about **US$2.69 billion** in 2024 to **~US$3.94 billion by 2031**, at ~5.6% CAGR. *Persistence Market Research.*

### Compumedics' Differentiated Value Proposition & Step-Out Opportunities

Against these trends, Compumedics holds strategic advantages and growth levers:

- **High unmet clinical need:** Neurological disorders (epilepsy, stroke, TBI) and sleep disorders (insomnia, sleep-disordered breathing) continue to affect large and growing populations globally. Diagnostic under-utilisation, especially in-home or non-lab settings, remains significant. Compumedics' technologies address these gaps.
- **Wearables / home diagnostics trend:** The shift toward remote, wearable, and SaaS-enabled diagnostics is accelerating. Our Somfit® devices, NEXUS 360® SaaS platform, and OrionMEG® positioning are aligned with this shift, giving us exposure to fast-growing market segments (wearables, at-home diagnostics, software + services).
- **Regulatory & clinical credibility:** Our progress with regulatory approvals, clinical validation, and demonstrated performance (AI / ML equivalence, accuracy etc.) further reduces risk, supporting adoption by healthcare providers and payers.

### Investment Raised by Step-Out Business Opportunities

Compumedics is not only defending and serving its core markets - it has several high-impact, scale potential growth engines already in commercial activation:

- **Somfit®** wearable home-monitoring systems with patent protection and advanced analytics.
- **NEXUS 360®**, our SaaS enterprise platform, which scales recurring revenue, demonstrates digital health alignment, and fits the healthcare systems' move toward cloud / service economics.
- **OrionMEG®** LifeSpan brain functional imaging systems, which when fully commercialised, address a high-margin, high-differentiation space.

### Why Now for Investors

- We are entering a period where **market size, technology capability, regulatory alignment, and customer / clinician demand** are all converging in favour of companies like Compumedics.
- The addressable market is large, growing, and under-penetrated. Devices + diagnostics + SaaS offerings represent recurring and scalable revenue streams - not only product sales.
- Our technology roadmap, regulatory approvals, clinical evidence, and product launches are already in motion, reducing execution risk.

## Product Developments

As we reflect on the past year, I am pleased to report that Compumedics has continued to deliver on its vision of advancing neuro and sleep diagnostics worldwide. Despite operating within an increasingly complex global and regulatory environment, our team has remained focused on innovation, clinical excellence, and expanding patient access to world-class solutions.

FY25 was marked by the successful transition of major products from development to commercial deployment, with new technologies now reaching patients, clinicians, and laboratories across global markets. At the same time, we deepened our foundation for future growth by expanding our AI-driven analysis capabilities, broadening the reach of our cloud-based enterprise platforms, and reinforcing our regulatory expertise. These achievements demonstrate both the resilience and the ambition of Compumedics as we accelerate our transformation into a leading provider of integrated neuro and sleep diagnostic solutions.

## FY25 Update

**Key product and platform developments in FY25 included:**

- **Falcon® HST** - Achieved regulatory approvals in multiple markets, including FDA clearance, and is now shipping in quantity. Its optimised patient setup, AI-based analysis, and browser-based workflow make it a benchmark in home sleep diagnostics.
- **Falcon® PSG** - Preparing for market launch, this next-generation polysomnography solution enables both inlab and at-home studies, seamlessly integrated with our Nexus 360® SaaS enterprise platform.
- **Somfit® & Somfit Pro** - Continued momentum with software and analysis enhancements. Progress advanced on **Somfit®D**, including US FDA market clearance. **Somfit®D** is a disposable version of the device, extending accessibility for large-scale home-based sleep studies.
- **Okti® Range (Okti32, Okti64, Okti128)** - Further matured with additional firmware and hardware enhancements, enabling its use across the full spectrum of EEG studies from portable monitoring to advanced surgical investigations.
- **Nexus 360® SaaS Platform** - Expanded functionality to support not only laboratories but also service-based businesses. Enhancements now include referral workflows, Medicare billing, and secure messaging, positioning Nexus 360® as a comprehensive study-management and clinical enterprise solution.
- **Profusion™ EEG & PSG Software and Prodigi™ PSG browser based platform** - Advanced with new AI-based seizure detection, trending, and quantitative EEG (QEEG) capabilities. Complemented ongoing enhancements to Profusion™ PSG 5.1, our flagship desktop sleep diagnostic platform. Prodigi™ PSG browser based scoring and reporting platform further advanced towards a full sleep study platform, encompassing all modalities of sleep studies.
- **AI and Machine Learning** – Our proprietary AI/ML algorithms continued to demonstrate equivalence to expert human scoring, with peer-reviewed publications validating their clinical robustness. These algorithms underpin automated analysis across our product portfolio.



While product development and clinical innovation remain the heartbeat of Compumedics, our commercial achievements and financial progress this year also demonstrate the strength of our strategy. Our expanding portfolio has begun to deliver meaningful contributions to revenue growth and margin improvement, positioning us well for sustained shareholder value creation.

Beyond product rollouts, we strengthened our global regulatory capabilities, expanded our commercial reach in key markets, and invested in scaling our team to manage increasing complexity. The regulatory environment continues to present challenges; however, our experienced and expanded team has successfully navigated these hurdles, turning them into a competitive advantage in markets where barriers to entry are rising.

## Outlook

The coming year will consolidate these launches, enhancing each platform with new features and expanded clinical capabilities, while also progressing additional innovations in both sleep and neuro diagnostics. As healthcare delivery rapidly evolves toward patient-centric and home-based models, Compumedics is ideally positioned to lead this shift with integrated solutions spanning in-home monitoring, enterprise cloud management, and advanced AI analytics.

Compumedics is well positioned to lead in patient-centric neuro & sleep diagnostics worldwide.

## Business Unit Updates -
# Somfit® and Somfit® Pro Systems

FY25 marked another important step forward for Somfit®, our flagship home sleep testing (HST) platform. With expanding revenues, new market entries, strong clinical validation, and a deepening pipeline, Somfit® has continued to establish itself as a transformative solution in sleep diagnostics and broader health applications.

## Somfit® Strategic Objective

The strategic objective for Somfit® is the use of its platform technology in a consumer environment, providing actionable sleep health information and targeted interventions that improve patient health outcomes.

## Somfit® Value Proposition & Differentiation

Somfit® continues to offer a compelling proposition:

- **Highly scalable SaaS model** delivering recurring quality health revenues.
- **Clinical-grade at-home device** that is light, comfortable, and produces medical-grade, reimbursable data.
- **Convenience & cost efficiency**, eliminating hospital visits and reducing resource requirements.
- **True-sleep measurement**, uniquely combining brain-based monitoring with traditional respiratory measures, delivering the world's first integrated brain-and-body HST system aligned with full polysomnography (PSG).

## FY25 Commercialisation Update

**Revenue & Pipeline:**

- Somfit® and SaaS revenues reached **$6.7m**, now **11% of group revenue** (up from 9% in FY24).
- Established a **$10m+ pipeline** following U.S. launch and FDA approval.

**Strategic Partnerships:**

- Secured a **five-year, $3m p.a. program with Philips (Australia)** for pharmacy-based HST.
- Advanced multiple **regional agreements with global CPAP providers.**
- Entered **multi-year partnerships with U.S. IDTFs**, supporting growth in the world's largest sleep market.

**New Market Expansion:**

- Entered the **pharmaceutical clinical trial market**, securing ~$2m in initial orders from two global pharmaceutical companies, with further trials expected in FY26.

**Clinical Validation:**

- Published **three peer-reviewed papers** validating the performance of the Somfit® technology in HST.
- Additional studies are underway to further strengthen scientific credibility and market adoption.

**Regulatory Progress:**

- CE and FDA clearances secured in FY25.
- Anticipate **U.S. registration of Somfit® Pro in early FY26**.
- Regulatory approvals obtained in **Brazil, Colombia, Hong Kong, and Singapore**, supporting LATAM and Asia-Pacific expansion.

**Product Development:**

- FDA 510(k) clearance achieved for **Somfit® D**.
- Launch of the **Somfit® disposable** expected in FY26 across the U.S., Canada, Australia, and other key markets.

FY25 demonstrates our ability to scale Somfit® from a regional success to a global platform, unlocking clinical, commercial, and consumer potential. With strategic partnerships, regulatory progress, and pipeline growth, the Company enters FY26 with confidence in Somfit® as a central growth engine.

Looking ahead, Somfit® is well placed to continue expanding into both clinical and consumer channels, while opening adjacent high-value verticals in pharmaceutical trials and wellness applications.

## COMPUMEDICS SOMFIT® FY25 HIGHLIGHTS - AT A GLANCE

**$6.7M**

Somfit© & SaaS revenue (up from $4.2m in FY24)

**11%**

Of total company revenue

**$20M+**

Pipeline post U.S. launch & FDA approval

### Expansion into Pharma

- $2m initial orders from two global pharma companies
- Further trials expected FY28

### Regulatory Milestones

- Approvals: Brazil, Colombia, Hong Kong, Singapore
- U.S. Somfit© Pro U.S. FDA in process for early '26FY

### Scientific Validation

- 3 peer-reviewed publications
- More in progress to strengthen adoption

### Strategic Deals

- $3m PA Philips
- Top Tier U.S. IDTFs
- Global leading Somfit© SaaS Pharma CRO and big Pharma

### Broader Business Progress

- Total over 770,000 Somfit© and NEXUS360© SaaS studies
- Somfit SaaS secures 75% AU HST pharmacy market

### Positioned for FY26 Growth

- Somfit© expansion, product launches and new market entry

## Business Unit Updates -

## OrionMEG® LifeSpan Functional Brain Imaging System

FY25 marked a period of significant progress for Compumedics' Orion LifeSpan™ MEG technology. With new installations, strong demand from leading universities, and independent validation confirming its state-of-the-art position, the Orion MEG program has transitioned from early commercial traction to an established growth platform.

### FY25 Orion LifeSpan™ MEG Achievements

#### Installations & Sales

- First dual-helmet Orion MEG system fully accepted at **Tianjin Normal University (TJNU)** in November 2024.
- New order from **Hangzhou Normal University (HZNU**) in March 2025.
- Shipments scheduled for **Tsinghua University (October 2025)** and **Tianjin University (December 2025)**.
- To date, three dual-helmet and two single-helmet Orion MEG systems have been sold to prestigious Chinese universities.

#### Market Development

- Continued collaboration with long-term Chinese partner **Beijing Fistar**, ensuring market penetration and service support.
- Efforts to **enter the U.S. market** are underway, representing a major strategic milestone for global expansion.
- Visiting researchers are now traveling to TJNU to leverage the unique hyperscanning and pediatric/adult dual-helmet capabilities.

#### System Performance

- An onsite evaluation of the Compumedics Orion LifeSpan MEG system was performed by Mingxiong Huang, Ph.D., who has been a Professor at the University of California, San Diego (UCSD) Department of Radiology and Department of Electrical and Computer Engineering since 2004.
- Professor Huang is also the Co-Director of the UCSD Magnetoencephalography (MEG) Center and a career research health scientist and physicist at the VA San Diego Healthcare System.
- Professor Huang summarised his finding by saying: "After my onsite visit to the MEG Lab at Tianjin Normal University (TJNU) and with extensive communication with the users there, I concluded that the leading-edge Orion LifeSpan dual whole-head MEG System from Compumedics is truly a state-of-the-art MEG system, among the very top MEG systems in the world." Dr. Huang's full report can be provided upon request.

#### Manufacturing Progress

- South Korea facility expanded with the installation of Compumedics' own **magnetically shielded room (MSR)**, enabling full system integration and testing.
- Team strengthened under the leadership of **Mr. Hyungduk Kim (ex-Siemens Healthineers)**, with staff expanded to 13 full-time employees.
- Korean team now supported by software developers in Germany and central regulatory, logistics, and accounting from Compumedics Australian headquarters.
- Enhanced capacity positions Compumedics to meet **unprecedented demand** for Orion MEG.

In FY25, Compumedics advanced Orion LifeSpan™ MEG with five systems sold, new installations at TJNU and HZNU, and shipments to TU and TJU on track. Independent validation by UCSD's Professor Huang confirmed Orion as a top global MEG platform. With expanded manufacturing in South Korea, leadership hires, and U.S. market entry in progress, the Company is positioned for strong growth in FY26.

**These developments demonstrate Orion LifeSpan™ MEG's ability not only to deliver world-leading science but also to establish Compumedics as a recognised leader in brain imaging globally.**

### FY26 MEG Outlook

- Deliver scheduled Orion MEG shipments to TU and TJU.
- Secure further new orders in China and expand sales channels in the U.S.
- Scale manufacturing capacity to ensure delivery timelines for multi-system demand.
- Continue software enhancements to CURRY® for hyperscanning and analytics leadership.

With world-class technology, validated clinical leadership, and expanded manufacturing capacity, Compumedics is well-positioned to accelerate Orion MEG's global adoption in FY26 and beyond.

## COMPUMEDICS ORIONMEG® LIFESPAN FY25 HIGHLIGHTS - AT A GLANCE

### $20M

**'25:** Four Compumedics MEG labs for total of about $20m in revenues, in China alone

### U.S. Market Launch in '26

USA as the world's largest MEG market, will now bolster CMP MEG progress in China, the world's fastest growing market

### Validation

"Leading-edge OrionMEG© LifeSpan dual whole-head MEG system from Compumedics is truly a state-of-the-art MEG system."

'25: Prof. Mingxiong Huang UCSD Dep. Rad.& Dep. Elect. & Comp. Eng., Co-Direct. MEG Centre, Scientist & Physicist VA San Diego (ASX: CMP: 30 Sep25)

### Innovation Edge

**World-first OrionMEG© LifeSpan:**

- Unique dual-helmet child/adult
- Virtual 100% coolant recycling 24/7 operation
- CURRY MEG s/w years ahead of competitors
- Total non-invasive technique

### Positioned for FY26 Growth

Plan to launch latest OrionMEG© LifeSpan USA, China

### Board Strengthened

NED MEG Major Strategic Deal Laser Focus

### Manufacturing Growth

Factory expansion and MSR installed

Compumedics Orion LifeSpan™ MEG

## Business Unit Updates - Compumedics® Neuroscan® CURRY® 9 (CURRY®) Neuroimaging Software Suite

FY25 has been a year of remarkable progress and transformation for Compumedics Neuroscan® and our flagship CURRY® neuroimaging software suite. With disciplined execution, customer focus, and product innovation, we returned Neuroscan to strong growth, reinforcing our leadership position in advanced EEG, MEG, and multimodal neuroimaging solutions.

Following a year of restructuring in FY24, our Neuroscan team entered FY25 with a clear strategy: to leverage wireless innovation through the OKTI® amplifier, strengthen CURRY® in both clinical and research markets, and deepen customer engagement through superior service and education. This focused approach yielded outstanding results, positioning Neuroscan as a reinvigorated growth engine for Compumedics.

### FY25 Update

#### Neuroscan & Okti® Wireless EEG – Market Breakthrough

- Delivered **100% year-over-year revenue growth** in Neuroscan.
- Sold **25 OKTI® wireless amplifier systems** (4x growth YoY), setting the new gold standard in mobile, high-fidelity EEG for both research and clinical applications.
- Demonstrated strong adoption across venture-backed neurotech firms and clinical research groups.

#### CURRY® Neuroimaging Software – Sustained Momentum

- CURRY® sales grew **15% in FY25**, with strongest traction in the **clinical epilepsy and presurgical planning** markets.
- Released multiple CURRY® 9 updates based on customer feedback, expanding functionality in EEG/MEG data handling, imaging co-registration, and workflow efficiency.
- Celebrated **30 years of CURRY®** innovation, reaffirming its global leadership as an advanced neuroimaging platform.

#### Customer Engagement & Education

- Expanded **CURRY® Schools**: blended virtual and in-person events in Asia, North America, and Europe.
- Launched new **Quarterly NeuroTalk webinars** and CURRY® newsletters to strengthen visibility and knowledge sharing.
- Achieved consistently high customer support levels, with rapid response times across North America and a growing global presence.

#### Strategic Market Adaptation

- Navigated headwinds from NIH and public research funding constraints by pivoting into:
  - **Venture capital-backed neurotech start-ups**.
  - **Clinical markets** where demand for advanced diagnostics is rising.

### Outlook & Confidence

As we enter FY26, we do so with renewed confidence. Neuroscan has re-established its trajectory, balancing innovation with operational discipline. The successes of FY25 have laid a strong foundation for continued revenue growth, product adoption, and global relevance.

#### Bridge to Broader Performance

Our Neuroscan and CURRY® portfolio not only strengthens Compumedics' standing in the neuroscience community but also reinforces the Company's broader strategy: to provide cutting-edge, scalable neurodiagnostic solutions that serve both research institutions and clinical environments. This aligns directly with our overarching mission to advance brain health technology worldwide.

#### Other Strategic Priorities & Financials

- Investment in **CURRY® SaaS platform development** to support recurring revenue growth.
- Expansion of **support engineering teams** to elevate customer service.
- Contribution to Compumedics Group revenue growth, alongside strong performances in Somfit,® OrionMEG,® and Alpha Trace.®

## COMPUMEDICS NEUROSCAN® FY25 HIGHLIGHTS - AT A GLANCE

**+100%**
Revenue Growth

**25 Okti®**
Systems Sold (4x YoY)

**+15%**
CURRY® Sales

**30 Years**
of CURRY® Innovation

**Innovation**
Okti wireless amplifier - redefinig mobile EEG

**Software Leadership**
CURRY updates & clinical adoption growth

**Customer Engagement**
Schools, webinars, newsletters, global reach

**Future Outlook**
CURRY SaaS model & support team expansion



Compumedics Neuroscan CURRY Neuroimaging Software

## Business Unit Updates - Compumedics DWL® Overview

Our mission remains clear: to bring innovative, noninvasive, and accessible solutions to clinicians and patients worldwide. Transcranial Doppler (TCD) ultrasound has established itself as an indispensable diagnostic and monitoring tool for cerebrovascular health, enabling rapid, real-time insights without invasive procedures. This year, we strengthened our leadership in this field through regulatory certifications, product launches, and advancements in robotic and AI-enabled TCD systems. These achievements lay the foundation for continued innovation and global growth.

## FY25 Update

### Key highlights from FY25 include:

**Regulatory Success:**

- Completed **EU-MDR certification** for Multi-Dop® T, Doppler-BoxX®, and EZ-Dop®, securing long-term competitiveness in Europe.
- Achieved **TÜV approval (Dec 2024)** and **FDA 510(k) clearance** (early 2025) for EZ-Dop, strengthening its position as a trusted diagnostic solution.

**EZ-Dop Market Launch:**

- Strong sales momentum following launch, exceeding expectations and confirming robust demand.
- Portable, battery-powered design enables use across hospitals, outpatient clinics, emergency care, and field environments.
- Launch of the new **Routine QL software** with an intuitive touch-based interface, streamlining daily workflow. Upcoming enhancements include **bilateral monitoring** and an **AI-driven emboli detection algorithm**.

**Advancement of DWL® AI Robotic TCD Prototype:**

- Progress on the portable robotic module, with flexible application in multiple patient positions and settings (ICU, ER, sports fields, ambulances).
- Integration of AI software underway, expanding diagnostic scope, particularly for **traumatic brain injury (TBI)** monitoring.
- Goal: broaden accessibility of TCD by reducing reliance on manual probe placement, thus scaling adoption beyond highly trained specialists.

**Clinical Innovation – ICP/CP Monitoring:**

- Continued research validating **TCD-based noninvasive assessment of intracranial pressure (ICP)**, offering alternatives to invasive lumbar puncture.
- Evidence from German clinical studies demonstrates potential for long-term patient-friendly monitoring, especially in idiopathic intracranial hypertension.

**POCUS (Point-of-Care Ultrasound):**

- Growing adoption of POCUS worldwide reinforces the portability advantage of TCD.
- TCD's bedside applications, lower cost, and repeatability compared to CT/MRI make it uniquely suited to join the expanding POCUS paradigm across modern healthcare.

## Outlook & Confidence

Looking forward, we are well positioned to consolidate FY25's achievements and expand further in FY26. With MDR and FDA clearances secured, EZ-Dop will continue to scale globally. Development of the Robotic TCD platform will open a new era of AI-driven, automated cerebrovascular diagnostics, further enhancing accessibility and clinical impact.

Our continued investment in innovation, regulatory compliance, and clinical validation underscores the resilience of our strategy. The expansion of TCD into broader markets, alongside DWL's proven portfolio, supports both sustainable revenue growth and Compumedics' broader performance across sleep and neuro diagnostics.

We strengthened our regulatory and clinical teams in Europe, the US, and Asia to manage the growing complexity of certifications and market entry. This not only ensures compliance but also creates a barrier to entry for competitors. We remain focused on balancing investment in innovation with disciplined cost management, driving profitability while sustaining growth momentum.

FY25 has been a year of transition and achievement for Compumedics DWL®. We have advanced our pipeline, delivered on regulatory milestones, and set the stage for future growth. Our technologies are uniquely positioned to address critical global challenges in stroke, traumatic brain injury, and cerebrovascular health.

## COMPUMEDICS DWL® FY25 HIGHLIGHTS - AT A GLANCE

### Regulatory Achievements

- MDR certification: Multi-Dop T Doppler-BoxX, EZ-Dop
- FDA 510(k) clearance for EZ-Dop

### Market Launch Success

- EZ-Dop launched with strong sales
- Portable, battery-powered design for bedside & field use
- QL software: touch-friendly, intuitive workflow

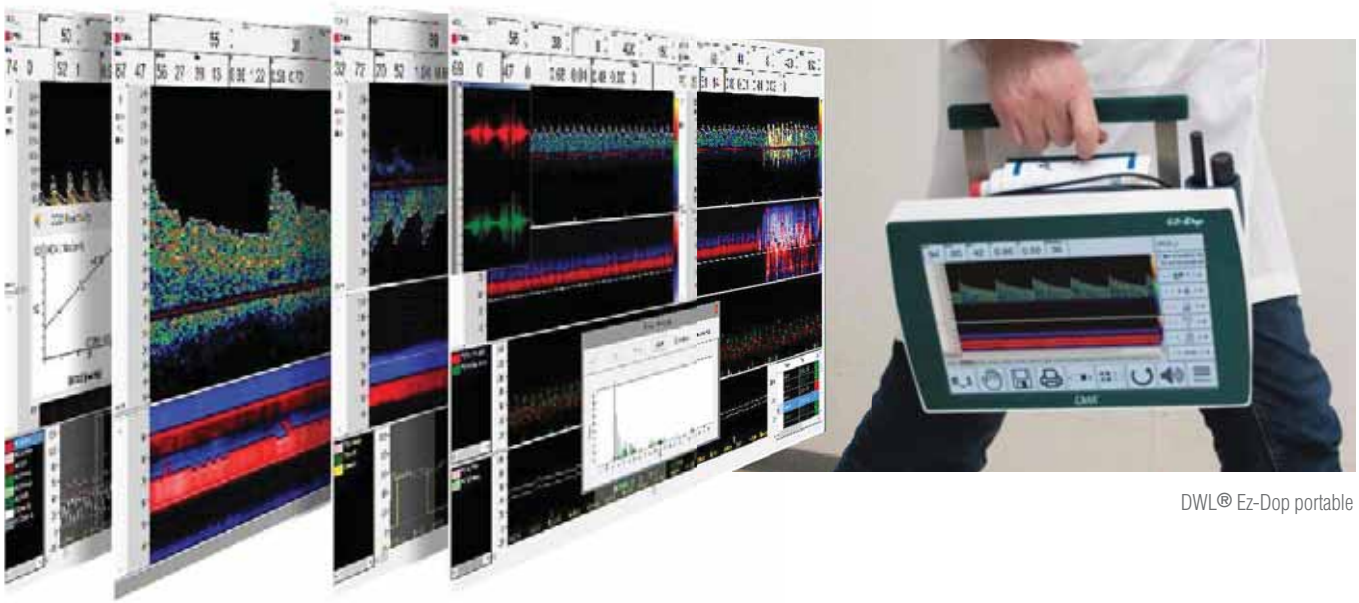
### Clinical Impact

- Noninvasive ICP monitoring validated in clinical studies
- TCD aligns with growing POCUS adoption worldwide

### Innovation & AI

- Robotic TCD prototype advanced
- AI integration targeting TBi diagnostics
- Future-proof modular platform





DWL® Ez-Dop portable

## Business Unit Updates - Compumedics'® alpha trace® Equity Accounted (50% CMP ownership)

FY25 was a year of growth and consolidation for Compumedics' alpha trace® business. Building on the momentum established after acquisition, alpha trace® strengthened its leadership position in Austria and surrounding markets, secured prestigious contracts, and advanced regulatory and innovation milestones that support long-term expansion.

### FY25 Alpha Trace® Achievements

**Sales & Market Expansion:**

- Broke the sales target of **€1 million**, demonstrating continued profitable growth.
- Secured a landmark contract with **Kepler University Clinics (Austria)**, delivering a complex Nexus 360® installation with seven Profusion EEG 7 recording stations and Citrix review clients across two clinics, with the potential to expand to two additional clinics in FY26.
- Added ~**10 new customers for NeuroSpeed-EEG™**, reaffirming the product's reputation as a robust, easy-to-use routine EEG solution.
- Expanded deployment of Compumedics technologies across local markets,including Somfit® Pro, Grael® 4K, Grael® LT, Grael® PSG, Okti®, Somté®, NEXUS 360®, and Profusion® EEG/Sleep, alongside NeuroSpeed solutions.

**Customer Support & Service:**

- Reinforced service as a meaningful and profitable revenue stream, including training, remote support, field service, and HL7 HIS integration projects.
- Continued high levels of customer satisfaction, underpinned by alpha trace's established reputation for service reliability.

NeuroSpeed-EMG™Software

**Regulatory Progress:**

- Maintained **EN ISO 13485 compliance with MDR inclusion**, ensuring adherence to European quality and safety standards.
- Advanced the **NeuroSpeed-EMG™ software** through the MDR certification process, with delays caused by extended notified body reviews; final approval expected in FY25.

**Innovation & Research Leadership:**

- Progressed a groundbreaking project to **standardise EEG archives under the DICOM® standard for neurophysiology signal data**, positioning Compumedics and alpha trace at the forefront of data interoperability in neurophysiology.
- Project supported by internationally published research (Halford et al., Clin Neurophysiol, 2021 & 2023).

Together, these achievements reinforce alpha trace®'s position as a trusted European market leader, while building momentum for further growth across broader global markets.

### FY26 Outlook

Looking ahead, alpha trace® will:

- Expand its installed base across Austria and Europe, including potential further roll-outs with Kepler University Clinics.
- Finalize MDR certification for **NeuroSpeed-EMG™**.
- Leverage DICOM® EEG archive standardisation to strengthen leadership in digital neurophysiology data management.
- Broaden product reach across Europe, integrating Compumedics' full portfolio into local and regional markets.

Taken together, FY25 demonstrated the Company's ability to deliver growth through both innovation and disciplined execution. With alpha trace® now firmly integrated and scaling, Compumedics enters FY26 positioned to leverage this strategic asset for continued European leadership and broader international expansion.

## COMPUMEDICS ALPHA TRACE® FY25 HIGHLIGHTS - AT A GLANCE

### Sales Growth € 1m +

10 new Neurospeed-EEG Customers
**FY26 - Positioned for EU Growth**

### Expanded Product Portfolio

Regulatory & MDR
Maintained EN ISO 13485 Certification

### Innovation

EEG Archive Standardisation
Via Dicom Framework

### Kepler Clinics Contract

Nexus 360 Installation across two Clinics
Somfit pro, Grael, Okti, Somte

### Support & Service

Training, Remote/ Field Support,
HL7 HIS Integrations

### Market Leadership

Austria's Leading EEG Supplier,
Expanding Regionally



## Unlocking Compumedics' Capital Market Value Through Board Renewal

Compumedics Ltd (ASX: CMP) is executing a deliberate and far-reaching program to strengthen its Board, designed to directly support the Company's next phase of international growth, strategic partnerships, and capital market recognition. While FY25 delivered record sales orders of **$63.4 million (+22% YoY)**, with **Somfit® home sleep testing revenue surging +49%**, and **MEG Orion brain imaging systems** progressing toward FY26 delivery revenues of **~$15 million**, the Company's capital markets profile continues to significantly undervalue these achievements. Trading liquidity remains constrained, and the gap between Compumedics' intrinsic growth trajectory and its market valuation persists.

To address this disconnect, the Board has embarked on a global Non-Executive Director recruitment program to appoint high-calibre Non-Executive Directors with proven international MedTech commercialisation, capital markets engagement, and strategic transaction experience. The first major outcome of this program is the appointment of Christopher R. Barys, a U.S. MedTech leader with 30+ years at Johnson & Johnson, Medtronic, Edwards Lifesciences, Philips Healthcare, and On Target Laboratories (ASX: CMP 22Sep25). Mr Barys brings immediate U.S. market credibility, investor engagement capability, and strategic deal-making expertise to the CMP Board. An international search process continues, with further appointments expected in FY26.

The strengthened CMP Board will drive **four intertwined priorities**:

1. **Strategic Partner Engagement** – pursuing and closing transformational alliances across U.S., Japan, and Europe markets to accelerate adoption of Compumedics' sleep and neurodiagnostic technologies.
2. **Capital Market Uplift** – deploying world-class investor relations and investment banking engagement to expand CMP's investor base, address trading liquidity, and catalyse value realisation for shareholders.
3. **U.S. Market Activation** – directly leveraging Mr. Barys' networks and proven track record in the largest global MedTech ecosystem to accelerate Somfit® and OrionMEG® growth and establish Compumedics as a U.S.- anchored healthtech leader (ASX: CMP 22Sep25).
4. **Valuation Realisation** – directly addressing Compumedics' significant market undervaluation compared to peers. As highlighted in our earlier ASX release "Business Update FY25" (16 January 2024) and the section below, "Unlocking Value - Investor Opportunity Snapshot," Compumedics is trading at ~1× revenues, materially below peer averages of 4–8× revenues in comparable medical device and SaaS-enabled healthtech companies. Closing this valuation gap through Board renewal, strategic communication, and delivery of growth milestones is a central objective.

This program reflects CMP's transition into a new Board phase: not simply monitoring governance, but actively building value, executing deals, and engaging investors. The result will be a governance platform that both protects shareholder interests and proactively drives the commercial and capital outcomes required to unlock Compumedics' full potential.

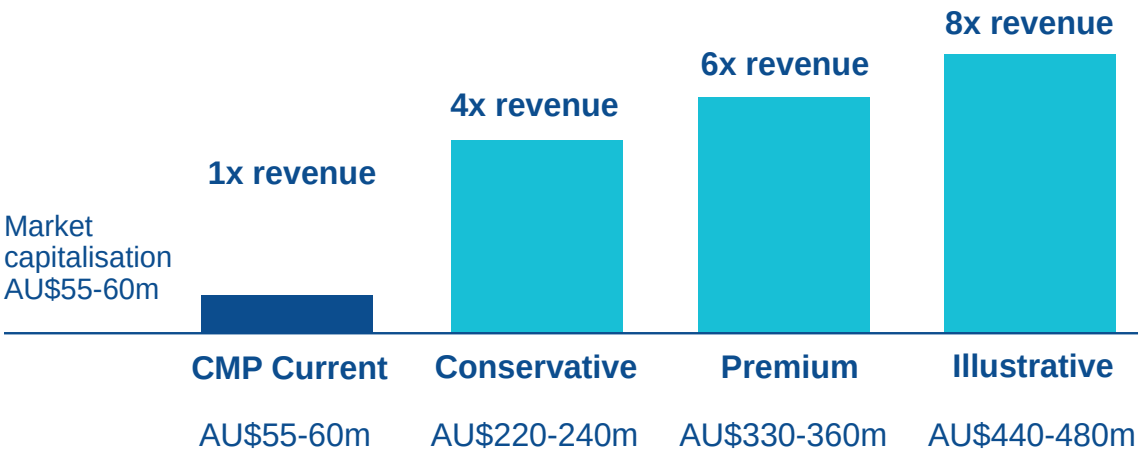
## Unlocking Value - Investor Opportunity Snapshot

Despite delivering record FY25 performance, Compumedics remains significantly undervalued by the capital markets. At a market capitalisation of ~**AU$55–60 million**, Compumedics trades at approximately **1× annual revenue**, compared with **4–8× revenue multiples** common in global healthtech peers that combine regulatory approvals, recurring revenue, and strong growth trajectories (Healthcare.Digital 2025; Multiples.vc).

Global market data underscores the scale of the opportunity:

- The **global neurology diagnostics devices market** is projected to expand from **USD ~9 billion in 2023** to **USD ~21 billion by 2032** (Credence Research, 2024).
- The **sleep disorder market** is forecast to grow from **USD 27.6 billion in 2024** to nearly **USD 79 billion by 2033**, at a **12% CAGR** (Precedence Research, 2024).
- The **wearable sleep trackers market** is expected to double from **USD 13.4 billion in 2023** to **USD 27.8 billion by 2030** (Grand View Research, 2023).
- **This program reflects CMP's transition into a new Board phase:** not simply monitoring governance, but actively building value, executing deals, and engaging investors. The appointment of Mr. Barys is a strong signal that Compumedics has begun building a Board with the capability to unlock valuation uplift, deepen U.S. engagement, and secure high-impact partnerships (ASX: CMP 22Sep25). The result will be a governance platform that both protects shareholder interests and proactively drives the commercial and capital outcomes required to unlock Compumedics' full potential.

## Compumedics' Valuation Gap



## Summary, Outlook and Confidence

FY25 was a record year for Compumedics, with sales orders reaching **$63.4 million (+22%)**, revenues of **$51 million**, EBITDA up **9%**, and gross margins expanding to **55%**. Our breakout platforms, Somfit® SaaS and OrionMEG® LifeSpan, advanced meaningfully — with Somfit® revenues up **49%** and three MEG systems progressing toward ~$15 million of FY26 revenue. Together with over **770,000 cloud-based studies completed**, these milestones demonstrate both the scale and durability of Compumedics' growth engines.

Looking ahead, FY26 revenue is expected to exceed **$70 million** with EBITDA of approximately **$9 million**, driven by accelerating Somfit® adoption, OrionMEG® deliveries, and ongoing SaaS expansion. EBITDA improvement will be supported by operating leverage, in-house manufacturing efficiencies, supplier resets, and logistics optimisation.

Importantly, FY25 also marked the launch of two transformative initiatives:

- Unlocking Compumedics' Capital Market Value Through Board Renewal, with the appointment of U.S. MedTech leader Christopher R. Barys as the first in a series of high-impact Non-Executive Directors, bringing unmatched expertise in scaling MedTech, executing U.S. capital strategies, and securing strategic alliances (ASX: CMP 22Sep25).
- **Unlocking Value - Investor Opportunity Snapshot**, which highlights the Company's significant valuation gap versus peers and outlines the strategy to drive re-rating through growth delivery, investor engagement, and Board renewal.

These initiatives - combined with our record operating results, SaaS expansion, and strong regulatory and clinical positioning - provide a powerful foundation for sustainable growth. The balance sheet remains robust, providing flexibility for new market entries, innovation, and strategic partnerships, while prudent risk management continues to guide regulatory timing and global market dynamics.

With record achievements behind us, the start of a revitalised Board anchored by the appointment of Mr. Barys, and a clear pathway to both operational and capital markets value realisation, we remain confident in delivering sustained growth, stronger investor recognition, and long-term shareholder value.

FY25 reinforced Compumedics' strategic direction—anchored in our profitable core business, accelerated by our breakout innovations, and guided by disciplined investment. We are proud of the year's achievements and look forward to delivering even stronger results in FY26.

Thank you for your continued trust and support.

Yours sincerely,

Dr. David Burton, Ph.D.

*Executive Chairman and Chief Executive Officer*
*Compumedics Limited*

# CORE PRODUCTS

## Core Products

### Sleep Diagnostics

Compumedics Grael® - 4K HD and PSG

Compumedics Siesta®

Compumedics Falcon™ PSG

Compumedics Falcon™ HST

Compumedics Somfit & Somfit® Pro

Compumedics Somfit® D

Compumedics Somté® PSG

Compumedics Profusion™ Sleep Software

Compumedics Profusion ProDigi™ Software

Compumedics Profusion™ NeXus Software

### DWL Doppler Diagnostics

Multi-Dop® T digital

Doppler-Box™ X

### Neuro Diagnostics (including Brain Research)

Compumedics Grael EEG® Neuroimaging Suite - 4K HD

Compumedics Okti® Portable LTM - EEG

Compumedics Grael LT®- HD EEG

Compumedics CORRiS® Cortical Stimulator

Compumedics Profusion™ EEG Software

Compumedics CURRY® Neuroimaging Suite

Compumedics Neuvo® LTM EEG

ONsight™ A.V.S. Ambulatory EEG Video Solution

Compumedics Orion LifeSpan™ MEG

Quik-Cap® EEG Electrode Arrays

# STRATEGIC GROWTH PLATFORMS

The Company is focused on a number of substantial opportunities based on next-generation growth platforms applicable to DWL, Neuroscan brain imaging, and medical innovation projects such as eHealth and sleep treatment.

***The NeXus™ 360 opportunity is highlighted here.***

***Compumedics' cloud based sleep diagnostic platform includes a professional application, NeXus™ 360, and a consumer application, Somfit.® NeXus™ 360 has grown to over 50 sites in the USA and Australia.***




profusion neXUS™ 360

*Laboratory Management System*

## *A Revolution in Laboratory Management*

Introducing Compumedics Profusion neXus 360, the next generation of Profusion neXus. Built on the proven Profusion neXus platform with more than 15 years of customer use and thousands of users, Profusion neXus 360 offers the full functionality of Profusion neXus and more, in a fully web-based interface.

### Profusion NeXus 360 Features:

- Simple, browser/internet-based access via HTML5
- Two-factor Authentication Access
- Digitally secure study "sign-off"
- User-defined, group-based access privileges
- Template/Document Integration
- Non-editable audit-log
- Multi-language Support (English, French, Chinese, Spanish)
- Fully managed Cloud Service, simple installation, reliable system backups and easy system updating
- In-lab acquisition and real-time uploading to the web.

### Platform and Browser Independent

# STRATEGIC GROWTH PLATFORMS


Somfit® Somfit® PRO

Somfit® and Somfit® pro are the next generation wearable devices for collecting patient's physiological data, primarily for use in assisting medical professionals to diagnose sleep disorders.

## Somfit® and Somfit® Pro Systems

**Somfit®** - 4 Components, **Somfit® Pro** - 5 Components

**A single-use adhesive-gel electrode.**
This is worn on the patient's forehead and collects the physiological data.


**The Somfit® device**, which is pressed onto the electrode. The Somfit houses the sensors and transmits the data to the App via Bluetooth. Somfit can collect up to 12 hours of data.

**The Respifit® device**, which is located on the Thoracic belt houses the ECG, Airflow, chest movement and position body sensors and transmits the data to the App via Bluetooth.

**The Somfit® App**
This is used to control the Somfit and to transmit the study data to be processed.

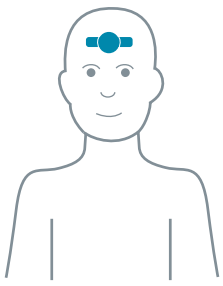
**The Profusion Nexus360™** cloud-based data management and reporting system.

**Consumable Revenue** | **Capital cost or build into SaaS fees** | **Recurring SaaS fee to access**

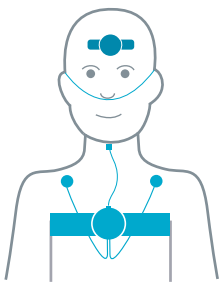
## Small, simple to use and comfortable.

Ease of use and comfort were the main considerations in the design of the Somfit and Somfit pro.

- The Somfit system comprises of the Somfit device, a disposable adhesive electrode and a phone app.
- The Somfit pro system includes the Respifit device adding extra measures such as ECG, airflow and body position.



Somfit® device



Somfit® Pro device

## Somfit® and Somfit® Pro Commercial Activation

**Somfit® Strategic Objective:** The strategic objective for Somfit® is the use of its platform technology in a consumer environment providing actionable sleep health information and/or other interventions to improve patient health outcomes.

**Somfit® Superior Value Proposition:** Somfit® provides a more comfortable, convenient, and cost-effective way for people with sleep problems to assess and monitor their sleep-health.



## Somfit® Key Market Opportunities Include:

**5.0m**
People suffering from sleep disorders in Australia, which includes sleep apnoea, insomnia, restless leg syndrome (RLS)

**AUD35.4b**
Total cost of sleep disorders in Australia (2021)
AUD13.1b sleep apnoea,
AUD13.3b insomnia,
AUD 9.0b RLS

**60m**
People suffering from some form of sleep disorders in the USA

**USD94b**
Direct healthcare costs (2021)

## Somfit® Unique Selling Proposition:

- **Highly scalable:** quality health SaaS business model
- **Clinical grade at home device:** Light and comfortable for the patient while enabling collection of high-quality signals to provide medical-grade (reimbursable) data
- **Greater convenience:** At-home monitoring eliminates the need for patients to travel to a hospital or sleep clinic, which can be time-consuming and inconvenient
- **Reduced cost:** At-home monitoring is less expensive than hospital monitoring, as it eliminates the need for hospital.

# STRATEGIC GROWTH PLATFORMS

## THE ORION LIFESPAN™ MEG
## FURTHER INNOVATION FROM COMPUMEDICS

### What is MEG and what is it used for?

Advanced Magnetoencephalography (MEG) technology uses superconducting sensors to record the tiny magnetic fields created by the human brain. It is completely safe, non-invasive and silent. It can be used even on children with no side effects. The Orion LifeSpan™ capitalises on this by including a dedicated pediatric helmet, optimized for five-year-olds.

The primary clinical application of MEG is to detect activity from locations where epileptic seizures begin. This can help to accurately guide a resection surgery, resulting in a reduction or complete elimination of those seizures. MEG can also be used to precisely mark the location of sensory, language and motor functions. Knowledge of these locations is critical to the successful resection of a tumour or other lesion without subsequent mental impairment. Furthermore, researchers worldwide use MEG to study normal and developing brain function. They are developing exciting new diagnostic capabilities for many debilitating disorders.

Another emerging research application for MEG is hyperscanning. That is, the measurement of the brain signals from two subjects simultaneously while they interact with each other or are presented the same stimulation synchronously. The Orion LifeSpan™ is uniquely capable of MEG hyperscanning due to the dual helmet design. This is a key research topic for TJNU, TU and TJU. Each of these prestigious universities has, or will soon have, Compumedics MEG technology.

### Key Features and Advantages

- 186 high-sensitivity sensors in a helmet-shaped array optimized for the average adult head size.
- 138 high-sensitivity sensors in a second helmet optimized for the average five-year-old.
- The system can rotate between adult and pediatric configurations, so no additional space is required for the installation over a traditional MEG.
- Alternatively, both helmets can be recorded for hyperscanning.
- Each sensor is equipped with an advanced Double Relaxation Oscillation SQUID (DROS) with significantly higher signal-to-noise ratio that traditional MEG sensors.
- Additional “reference” sensors monitor and subtract environmental magnetic interference, for example from moving metal objects and electrical lines.
- Up to 128 channels of integrated EEG utilizing SynAmps RT amplifiers.
- Fully integrated simulators for auditory, visual, electrical and motor response. All are controlled/monitored by the powerful STIM2 software.
- All acquisition and analysis functions are within the powerful CURRY Neuroimaging Suite.

### Orion LifeSpan™

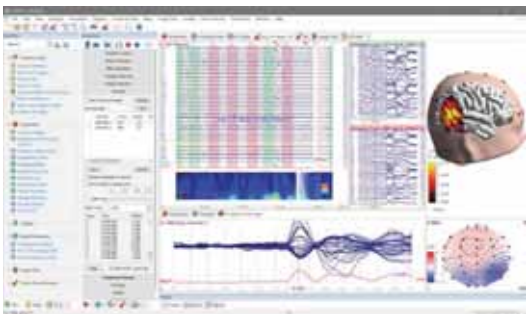
Patented Dual-Helmet Adult/Pediatric Dewar

Patented SQUID Sensing System

Fully Integrated EEG

Patented Zero-Loss Helium Recycling

Full CURRY Integration



Fully Integrated CURRY Software



- Integrated, zero-loss, closed-loop, continuous helium recycler. Liquid helium is used to cool the superconducting sensors. The recycler reduces system operating costs by as much as $100,000 annually and eliminates weekly labour to refill helium. Continuous operation allows MEG system uptime 24/7.
- Sampling Frequency of up to 10,000 measurements per second, to record even the most fleeting of brain signals.
- Full video recording integration for simultaneous study of symptoms and brain activity.
- Compumedics works with world-class suppliers of shielding to provide a magnetically quiet recording environment.

## Full CURRY® Integration

The CURRY® Neuroimaging platform is universally known as the gold standard for MEG/EEG data processing. One of the key benefits of CURRY® is its ability to integrate the high-temporal resolution functional measures of MEG and EEG with anatomical/structural/metabolic neuroimaging data such as MRI, CT, DTI, PET, SPECT and fMRI. CURRY® is the de-facto software platform for clinical MEG community, particularly those assessing epilepsy. It has US FDA certification, CE Mark and other regulatory approvals for immediate clinical use at hospitals, but is also well regarded by the neuroscience research community.

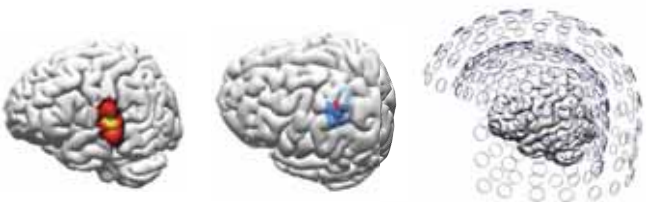
CURRY® is fully imbedded in the Orion LifeSpan™ hardware platform, including MEG/EEG acquisition, visualisation, review, analysis, source modelling and multi-modal integration.

## FY25 Highlights

- Tianjin Normal University (TJNU) system accepted in November 2024.
- New order from Hangzhou Normal University (HZNU) in March 2025.
- Efforts to enter the important US market are underway.
- Shipment to Tsinghua University (TU) on track for October 2025.
- Shipment to Tianjin University (TJU) on track for December 2025.
- Korean MEG factory in process of major expansion to increase manufacturing capability to meet unprecedented demand.

## FY26 Plan

- Deliver scheduled Orion MEG shipments to TU and TJU.
- Secure further new orders in China and expand sales channels in the U.S.
- Scale manufacturing capacity to ensure delivery timelines for multi-system demand.
- Continue software enhancements to CURRY® for hyperscanning and analytics leadership.



# BOARD OF DIRECTORS

Compumedics is committed to developing a world class working environment that rewards individuals for the contributions they, and their teams, make to the business each year. Compumedics is proud of the diversity of its people, and continues to develop its people infrastructure under the guidance of the Senior Management Team and the Board.

**Dr. David Burton, Ph.D.**
Executive Chairman, CEO

Dr. David Burton, Ph.D., is the founder, Chairman and CEO of Compumedics. After establishment of Compumedics the company was listed on the ASX in 2000, and has been awarded 24 awards for design, innovation, business and exports including the Australian Exporter of the Year in 1998 and Small Business of the Year in 1999.

Dr. Burton started his career at the Bureau of Meteorology, where he studied radar techniques and electronic equipment. He founded Linear Transfer Pty Ltd, which designed, manufactured and marketed high fidelity recording and sound equipment. He was awarded an Associate Diploma in Engineering (Electronics) by the Royal Melbourne Institute of Technology and a Ph.D. (Eng. Sc.) by Monash University, Melbourne (Australia). Dr. Burton's engineering background includes the design and project management of Compumedics' first sleep laboratory and portable sleep systems. Dr. Burton has authored 150 patents or patent applications across more than 20 families of patents that form part of Compumedics' intellectual property. Dr. Burton has served as an advisor for the Victorian Government as a member of the Council for Knowledge, Innovation, Science and Engineering (KISE), being the Victorian Government's key advisory body on issues and policies focusing on science and innovation.

Dr. Burton was presented the Clunies Ross National Science and Technology Award in 2002 for his development of innovative sleep monitoring technology. He was awarded the 2003 Centenary Medal by the Prime Minister and Governor General of Australia for outstanding contribution to science and technology, particularly public science policy. In 2003 Dr. Burton was awarded the Ernst & Young Victorian Entrepreneur of the year award for technology, communications, E-commerce and life sciences. In 2007 Dr. Burton was inducted into the Victorian Manufacturing Hall of Fame in recognition of manufacturing achievements and world-wide medical device exports.

Dr. Burton served as a Victorian Government adviser as a Board member of the Design Victoria (2008-2011), was appointed to the Academy of Technological Science and Engineering (ATSE) committee in 2012 and in recognition of his outstanding contribution to the profession of Biomedical Engineering and was awarded the 2012 David Dewhurst Award by Engineers Australia, College of Biomedical Engineers.

**Mr. David Lawson**
Executive Director

Mr Lawson has been Chief Financial Office and the Company Secretary of the Company for over twenty three years. In that time, Mr Lawson has been extensively involved in the development of the Company including the Initial Public Offering of shares in the Company, the subsequent offshore acquisitions in the US and Germany, private equity placements and the recent refinancing of the Company. Mr Lawson also has been involved in the operational turn around of the Company and brings a significant amount of experience and knowledge to the Board.

**Mr. Rod North**
Non-Executive Director

Mr Rod North has been working in the financial services & corporate sector for 30 years, having held leading roles in share broking, investment and funds management and provided investor relations, media & PR services to a large range of ASX listed companies over the past 17 years. He has extensive experience in company analysis and financial management. He has served on a number of investment committees in funds management. He has also acted in high-level corporate advisory roles to private and public companies at senior executive and board level, advising on capital raisings, communication and investor relations strategies.

**Mr.Christopher R. Barys**
Non-Executive Director

Christopher R. Barys, is a U.S. MedTech leader with 30+ years at Johnson & Johnson, Medtronic, Edwards Lifesciences, Philips Healthcare, and On Target Laboratories (ASX: CMP 22Sep25). Mr Barys brings immediate U.S. market credibility, investor engagement capability, and strategic deal-making expertise to the CMP Board. His experience spans scaling $1B+ businesses, securing FDA approvals, driving strategic M&A, and building global commercial franchises.

# SENIOR MANAGEMENT



**Dr. David Burton, Ph.D.**
Executive Chairman, CEO

**David Lawson**
Executive Director,
Chief Financial Officer
& Company Secretary

**Dr. Dieter Grossegger, Ph.D.**
Compumedics alpha trace

**Warwick Freeman**
Chief Technology Officer

COMPUMEDICS®

'Defining *Life's* Signals'

# 2025
# FINANCIAL STATEMENTS




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

# Annual Financial Statements

for the year ended 30 June 2025

# Contents

# Corporate Information

This annual report covers Compumedics Limited as a consolidated entity comprising Compumedics Limited and its subsidiaries. The Group's functional and presentation currency is AUD ($).

A description of the Group's operations and its principal activities is included in the review of operations and activities in the directors' report on pages 2 to 14. The directors' report is not part of the financial report.

| | |
|---|---|
| **Directors** | Dr. David Burton<br>Mr. David Lawson<br>Mr. Rod North<br>Mr. Christopher Barys (Appointed 22 September 2025) |
| **Company secretary** | Mr. David Lawson |
| **Executive team** | **Executive Chairman, CEO**<br>David Burton<br>**Executive Director and CFO**<br>David Lawson<br>**Chief Technology Officer**<br>Warwick Freeman<br>**Managing Director Compumedics Germany GmbH (DWL)**<br>Christoph Witte (Resigned July 2024) |
| **Notice of annual general meeting** | The Annual General Meeting of Compumedics Limited<br>**will be held at** Compumedics Limited<br>30-40 Flockhart Street<br>Abbotsford VIC 3067<br>**time** 10.30am<br>**date** Thursday 30 October 2025 |
| **Principal registered office in Australia** | 30-40 Flockhart Street<br>Abbotsford VIC 3067<br>Telephone: (03) 8420 7300 |
| **Share register** | Automic Pty Ltd<br>Level 12<br>575 Bourke Street<br>Melbourne VIC 3000<br>Phone: Local: 1300 288 664<br>Phone: International: +61 2 9698 5414 |
| **Auditor** | Nexia Melbourne Audit Pty Ltd<br>Level 35<br>600 Bourke Street<br>Melbourne VIC 3000 |
| **Stock exchange listings** | Compumedics Limited shares are listed on the Australian Stock Exchange. Compumedics' ASX code is CMP. |
| **Website address** | www.compumedics.com.au |

# Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Compumedics Limited and the entities it controlled at the end of, or during, the year ended 30 June 2025.

The following persons were directors of Compumedics Limited during the whole of the financial year and up to the date of this report unless otherwise stated:

Dr. David Burton
Mr. David Lawson
Mr. Rod North
Mr. Christopher Barys (Appointed 22 September 2025)

**Principal activities**

During the year the principal continuing activities of the Group were the research, development, manufacture and distribution of medical equipment and associated technologies. There have been no significant changes in the operation of the Group during the year.

**Dividends**

The directors have not declared a dividend in the current financial year (2024: nil).

**Review of operations**

Information on the operations and financial position of the Group and its business strategies and prospects and a summary of consolidated revenue and results by operating segments are set out below:

| | Total Revenue | | Segment Results | |
|---|---|---|---|---|
| | 2025 $000 | 2024 $000 | 2025 $000 | 2024 $000 |
| USA | 17,635 | 10,520 | (3,892) | (3,014) |
| Australia and Asia Pacific | 22,435 | 30,264 | 6,804 | 6,363 |
| Europe | 10,759 | 8,935 | 208 | (642) |
| Total continuing operations | 50,829 | 49,719 | **3,120** | **2,707** |
| Depreciation and amortisation | | | (2,246) | (1,488) |
| Finance costs | | | (1,285) | (739) |
| Profit/(loss) before income tax expense | | | (411) | 480 |
| Income tax (expense)/benefit | | | (857) | (818) |
| Loss for the year | | | **(1,268)** | **(338)** |

**Comments on the operations and the results of those operations are set out below:**

FY25 was a transformational year for Compumedics. The Group achieved record sales orders of $63.4 million, representing growth of 22% year on year and highlighting robust global demand for its technologies. Revenue for the year was $50.8 million, an increase of 2% on FY24 despite the absence of MEG revenue in the year. When excluding MEG, revenues grew by 15% year on year, reflecting the underlying strength of the business. EBITDA increased to $3.1 million, up 9% on the prior year, supported by gross margin expansion to 55% compared with 52% in FY24.

Momentum accelerated during the second half, with the US business emerging as the Group's key growth engine across sleep, neurology, and research. With record orders, a strengthened balance sheet, and a broadening suite of differentiated products, Compumedics now enters FY26 with the strongest growth pipeline in long history.

**FINANCE**

During the 2025 financial year the Group maintained a disciplined financial position, supported by its established banking facilities in Australia and Europe. At 30 June 2025, borrowings comprised a $3.5 million overdraft facility and an SME Pandemic Recovery Scheme loan with a limit of $3.6 million, repayable over approximately seven years (30 June 2024: $4.4 million). The Group also maintained short-term working capital facilities, including a $2.0 million facility and a $4.5 million facility dedicated to supporting MEG builds. In addition, an international secured overdraft facility of EUR0.35 million (AUD0.63 million) remained available to the Group.

## OPERATIONS

Compumedics continued to invest strategically in research and development (R&D) to maintain its position at the forefront of sleep and brain monitoring technologies. Investment in FY25 remained at a similar level to the prior year, with the variation in reported expenditure reflecting the timing and treatment of major development programs. These programs, particularly across the Somfit and MEG platforms, underpin the Group's step-out growth strategy.

The moderation in the reported FY25 expense reflects the conclusion of several large-scale development phases, with resources redirected toward preparing these platforms for commercial rollout. At the same time, structural efficiencies achieved through disciplined project management and prioritisation have enabled Compumedics to deliver margin improvements while continuing to advance its technology leadership.

## STRENGTHENED SALES AND MARKETING

The Group continued to advance its global sales and marketing strategy in FY25, with performance improving across all major regions.

*(a) Americas*
In the US, revenues grew strongly to $17.6 million, up from $10.5 million in FY24. Sales orders increased 118% year on year, underpinned by accelerating adoption of Somfit, solid Neuroscan demand, and continued gains following Philips' withdrawal from the sleep diagnostics market. The US salesforce has now been strengthened and deployed, establishing a platform for sustained growth across sleep, neurology, and research.

*(b) Asia Pacific*
In the Asia Pacific region, revenues were $22.4 million compared with $30.3 million in FY24, which had included a $4.7 million MEG system. The business signed two four-year distribution agreements in China valued at $24.4 million with minimum growth commitments, and has now secured three new MEG orders, representing approximately $15 million in FY26 revenue. Installation of the Tianjin Normal University MEG system has also been successfully completed.

*(c) Europe*
In Europe and the Middle East, revenues increased to $10.8 million from $8.9 million in FY24. Germany delivered steady DWL sales, while early adoption of the Okti EEG and Somfit platforms has begun to position the region for SaaS-led growth. France contributed strong growth.

The Group's core sleep diagnostics business continues to be recognised globally as a leader in innovation and technology. The Somfit platform, complemented by Nexus 360 SaaS, is driving a step-change in growth by enabling scalable, cloud-based home sleep testing. Revenues from Somfit and SaaS increased by 49% to $6.7 million in FY25, representing 13% of Group revenue compared with 9% in FY24. Multi-year contracts signed with Philips in Australia and high-profile partners in the US provide a strong base of recurring revenue.

The Group also advanced its MEG program, building on recent contract wins to further secure its FY26 revenue base. Following the successful installation in Tianjin, momentum is now carrying into new opportunities across clinical applications such as paediatrics, broadening the addressable market and expanding Compumedic's global footprint.

Compumedics continues to develop its suite of eHealth, cloud-enabled sleep and neurodiagnostic solutions to support long-term growth in key direct markets, including the US, Australia, Germany, and France. With a strengthened salesforce, a broadening product portfolio, and accelerating market adoption, the Group is well positioned to capture further growth opportunities globally.

## BREAKOUT MEDICAL INNOVATIONS

Compumedics Medical Innovation (CMI) division has continued to develop several breakout technology platforms. Each of these CMI platforms incorporates a folio of patents, compliments Compumedics' core business, presents unique and significant product differentiation, and has been independently validated, as outlined in the subsequent sections.

## SUMMARY

The Group remains clearly focused on the following key goals:

1 The geographical expansion of the core sleep diagnostic and neurodiagnostic monitoring businesses into global territories where the Group has little or no market share, with particular emphasis on the US as a key growth engine.
2 Delivery of the $15 million MEG backlog and the continued expansion of installations into China and other international markets, following the successful installation at Tianjin Normal University.
3 Acceleration of the commercialisation of the Group's consumer sleep technology, Somfit, including the launch of Somfit D in the US and the global expansion of Nexus 360 SaaS. Combined Somfit and Nexus 360 revenues increased to $6.7 million in FY25 (FY24: $4.2 million), and are expected to scale materially as multi-year contracts underpin growth.
4 Ongoing productivity and efficiency programs designed to streamline operations, reconfigure cost structures, and expand gross margins across the Group.

Compumedics is well positioned for growth, underpinned by record order momentum, a strengthened product portfolio, and a global opportunity set in sleep and brain monitoring. The demand for innovative healthcare solutions continues to be driven by the dual forces of an ageing population and the rising prevalence and awareness of neurology and sleep disorders.

### Likely Developments and Expected Results

The Group will focus on sustaining the growth momentum achieved in FY25 and maximising future opportunities across its portfolio. In particular, attention will be directed to the commercial launch of Somfit D in the US, scaling SaaS revenues to represent approximately 50% of Sleep segment revenues by FY27, and progressing the commercialisation of the Group's AI-enabled robotic TCD into the $12 billion stroke and ICU monitoring market.

Compumedics expects these key growth initiatives to deliver continued increases in revenue and earnings in FY26. The Group has provided guidance for FY26 revenues to exceed $70 million, representing growth of 37% year on year, and EBITDA of approximately $9 million, equating to a 13% EBITDA margin.

### Significant Changes in State of Affairs

There have been no significant changes in the state of affairs of the Group during the financial year.

### Matters Subsequent to the End of the Financial Year

The Directors are not aware of any matters subsequent to the end of the financial year that would have a material impact on the financial performance of the Group.

### Environmental Regulation

The Group is not subject to significant environmental regulation in respect of its activities.

### Information on directors

***Dr. David Burton, Chairman and Chief Executive Officer***

*Experience and expertise*
Founder and major shareholder through related entity. He was awarded an Associate Diploma in Engineering (Electronics) by the Royal Melbourne Institute of Technology and a Ph.D. (Eng. Sc.) by Monash University, Melbourne (Australia). Dr. Burton's engineering background includes the design and project management of the Compumedics' first sleep laboratory and portable sleep systems. Dr. Burton has authored fifteen patents or patent applications that form part of Compumedics' key intellectual property. Extensive experience in the development, design, manufacture and sale of medical devices and the development of the business.

*Other current directorships*
D & DJ Burton Holdings Pty Ltd
Intellirad Pty Ltd
Electro Molecular Pty Ltd

*Former directorships in last 3 years*
None

*Special responsibilities*
Chairman of the Board
Member of Remuneration Committee
Member of Audit Committee

*Interests in shares and options through related entities*
98,222,891 ordinary shares in Compumedics Limited
Nil options over ordinary shares in Compumedics Limited

***Mr David Lawson, Executive Director and Chief Financial Officer***

*Experience and expertise*
Has a Bachelor of Commerce from Melbourne University and is a Member of Chartered Accountants Australia and New Zealand. He has extensive experience in the development of the Compumedics business over the last 26 years and prior to that held a number of management positions with another listed public entity.

*Other current directorships*
None

*Former directorships in last 3 years*
None

*Special responsibilities*
Member of the Remuneration Committee
Member of the Audit Committee

*Interests in shares and options*
3,470,724 ordinary shares in Compumedics Limited

***Mr Rod North, Non-Executive Director***

*Experience and expertise*
Rod North has been working in the financial services & corporate sector for over 30 years, having held leading roles in share broking, investment and funds management and provided investor relations, media & PR services to a large range of ASX listed companies over the past 19 years. He has extensive experience in company analysis and financial management. He has served on several investment committees in funds management. He has also acted in high-level corporate advisory roles to private and public companies at senior executive and board level, advising on capital raisings, communication, and investor relations strategies.

*Other current directorships*
None

*Former directorships in last 3 years*
None

*Special responsibilities*
Member of the Audit Committee
Member of the Remuneration Committee

*Interests in shares and options*
2,000 ordinary shares in Compumedics Limited

**Mr Christopher R. Barys, Non-Executive Director**

*Experience and expertise*
Christopher Barys is a U.S. MedTech executive with more than 30 years of leadership at Johnson & Johnson, Medtronic, Edwards Lifesciences, Philips Healthcare, and as CEO of On Target Laboratories. He has extensive experience in scaling global businesses, securing FDA approvals, executing strategic M&A, and building commercial franchises, with a focus on U.S. market expansion.

*Other current directorships*
None

*Former directorships in last 3 years*
On Target Laboratories, Inc.

*Special responsibilities*
Non-Executive Director

*Interests in shares and options*
Nil ordinary shares in Compumedics Limited
Nil options over ordinary shares in Compumedics Limited

**Company secretary**

The Company secretary is Mr. David Lawson, Chartered Accountant. Mr. Lawson was appointed to the position of Company Secretary in 2000. Mr. Lawson has a Bachelor of Commerce from Melbourne University and is a Member of Chartered Accountants Australia and New Zealand.

**Meetings of directors**

The numbers of meetings of the Company's Board of directors and of each Board committee held during the year ended 30 June 2025 and the numbers of meetings attended by each director were:

| | | | Meetings of committees | | | |
|---|---|---|---|---|---|---|
| | Full meetings of directors | | Audit | | Remuneration | |
| | A | B | A | B | A | B |
| Dr. David Burton | 8 | 8 | 2 | 2 | 1 | 1 |
| Mr. David Lawson | 8 | 8 | 2 | 2 | 1 | 1 |
| Mr. Rod North | 8 | 8 | 2 | 2 | 1 | 1 |

A – Number of meetings attended
B – Number of meetings held during the time the director held office or was a member of the committee during the year

**Remuneration report (audited)**

The remuneration report is set out under the following main headings:
A. Principles used to determine the nature and amount of remuneration
B. Details of remuneration
C. Service agreements
D. Share-based compensation
E. Additional information

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

**A Principles used to determine the nature and amount of remuneration**

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management

The Group has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation. The Board is satisfied remuneration recommendations are made free from undue influence by the members of the key management personnel.
Alignment to shareholders' interests:

- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price
- delivering constant return on assets as well as focusing the executive on key non-financial drivers of value
- attracts and retains high calibre executives

Alignment to program participants' interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards
- provides recognition for contribution

The framework provides a mix of fixed and variable pay, and a blend of short and long-term incentives. As executives gain seniority with the group, the balance of this mix shifts to a higher proportion of "at risk" rewards.

The Board has established a remuneration committee, which provides advice on remuneration and incentive policies and practices and specific recommendations on remuneration packages and other terms of employment for executive directors, other senior executives and non-executive directors. The Corporate Governance Statement provides further information on the role of this committee.

***Non-executive directors***

Fees and payments to non-executive directors reflect the demands, which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board. The Chairman's fees are determined independently to the fees of non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

Non-executive directors do not receive share options.

*Directors' fees*
The current base remuneration was last reviewed with effect from 1 July 2024. The Chairman's remuneration is inclusive of committee fees while other non-executive directors who chair a committee receive additional yearly fees.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $250,000 total pool per annum.

The following fees have been applied:

| | From 1 July 2024 to 30 June 2025 $ | From 1 July 2023 to 30 June 2024 $ |
|---|---|---|
| **Base fees** | | |
| Chairman | 50,000 | 50,000 |
| Other non-executive directors | 30,000 | 30,000 |
| Executive directors | 30,000 | 30,000 |
| | | |
| **Additional Fees** | | |
| Audit committee – chairman | 5,000 | 5,000 |
| Audit committee – member | 2,500 | 2,500 |
| Remuneration committee – chairman | 5,000 | 5,000 |
| Remuneration committee – member | 2,500 | 2,500 |

David Burton and Rod North received base fees only during the year and did not receive any additional fees.

***Executive pay***

The executive pay and reward framework has 5 components:

- Base pay and benefits
- Short-term performance incentives
- Long-term incentives through participation in the Compumedics Limited Employee Option Plan
- Other remuneration such as superannuation, and
- Long-term equity linked incentive program specifically for the head of the Medical Innovations Division.

The combination of these comprises the executive's total remuneration.

*Base pay*

Structured as a total employment cost package, which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

*Benefits*

Executives may receive benefits including health insurance, car allowances, other expense reimbursements and tax advisory services.

*Superannuation*

Retirement benefits are currently limited to the statutory rate of superannuation but are not capped based on salary. Executives may elect to make further salary sacrifice additions to superannuation funds of their choice, up to the allowable limits prescribed.

*Short-term incentives*

Should the Group achieve a pre-determined profit target set by the remuneration committee a pool of short-term incentive (STI) is available to executives during the annual review. Using a profit target ensures variable award is only available when value has been created for shareholders and when profit is consistent with the business plan. The incentive pool is leveraged for performance above the threshold to provide an incentive for executive out-performance.

Each executive has a target STI opportunity depending on the accountabilities of the role and impact on the organisation or business unit performance. The maximum target bonus opportunity can be up to 60% of base pay, as determined by the remuneration committee each year.

Each year, the remuneration committee considers the appropriate targets and key performance indicators (KPIs) to link the STI plan and the level of payout if targets are met. This includes setting any maximum payout under the STI plan, and minimum levels of performance to trigger payment of STI.

For the year ended 30 June 2025, the KPIs linked to short-term incentive plans were based on Group, individual business and personal objectives. KPIs are set according to the individual responsibilities of each member of the executive team.

Each year the remuneration committee considers the appropriate targets and key performance indicators (KPI's) to link the Short-Term Incentive (STI) plan and the level of payout if targets are met. This includes setting any maximum payout under the STI plan and minimum levels of performance to trigger payment of STI.

The short-term bonus payments may be adjusted up or down in line with under or over achievement against the target performance levels. This is at the discretion of the remuneration committee.

The STI target payment is assessed by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) following the end of each financial year and any payments due are recommended to the remuneration committee for authorisation. The CEO and CFO recommend STI targets for the following year for key executives, which are put to the remuneration committee for review and authorisation annually.

*Long-term incentives*
The Group has instigated a long-term incentive program for one executive. At 30 June 2025 no other long-term incentive plans were in place for any other Director or key management personnel. Any instigation of a long-term incentive program for any other executive of the Group will be determined by and authorised by the remuneration committee and the remuneration committee will assess subsequent performance.

Medical Innovation Long Term Performance Plan (MI-LTPP)
The Group has formalised and gained approval at the 2009 and 2014 annual general meetings for the MI-LTPP for the head of the Medical Innovations Division ("Division Head"), who is currently the Executive Chairman. The rationale of the MI-LTPP is to reward the Division Head where future commercial projects are met on the following criteria:

1. The future commercial project is based on innovative, novel and patentable technology;
2. The patented technology is supplementary to, but consistent with, the ongoing businesses of Compumedics Limited; and
3. There is significant risk attached to the development of the intellectual property or technology and the commercialisation thereof.

On the basis that these 3 criteria exist, and, determined by the Remuneration Committee, a commercial project will be eligible for inclusion under the MI-LTPP. At 30 June 2025 the Remuneration Committee has approved several projects that are eligible under the MI-LTPP subject to the parameters discussed below.

The parameters of the MI-LTPP include that the Division Head will be entitled to an incremental 8% equity in any subsidiary entities of the Group that develop projects that meet all of criteria 1 to 3. The 8% equity will only deliver value to the Divisional Head where value is created for the whole Group, in which case the Group receives 92% of the incremental value created.

The entitlement will be calculated after repayment of any initial costs of establishment or development costs outlaid by Compumedics. The Directors have sought and gained expert advice that the entitlements under the plan form part of remuneration for the purposes of accounting standards and are fair and reasonable, having regard to relevant circumstances.

The Board recommended to shareholders and the shareholders approved, at the 2014 AGM, the 8% equity be issued to the Division Head. As a result, 8% of the issued capital of Compumedics Medical Innovation Pty Ltd was issued to David Burton, late October 2014.

Compumedics Employee Option Plan
Information on the Compumedics Option Plan is set out in section D and note 30 to the Financial Statements. There are no share-based payments for the year ended 30 June 2025.

**Details of remuneration**

*Amounts of remuneration*

Details of the remuneration of the directors and the key management personnel (as defined in AASB 124 Related Party Disclosures) of Compumedics Group are set out in the following tables.

The key management personnel of the Group are the directors of Compumedics Limited (see pages 4 to 6 above) and those executives that report directly to the Chief Executive Officer being:
- Warwick Freeman, Chief Technology Officer
- Christoph Witte, Managing Director – Compumedics Germany GmbH (resigned July 2024)

***Remuneration of key management personnel and other executives of the Group***

| 2025 | Short-term benefits | | | Post-employment benefits | | Long term benefits | Share based payments | |
|---|---|---|---|---|---|---|---|---|
| Name | Cash salary and fees $ | Cash bonus $ | Non-monetary benefits $ | Super-annuation $ | Retirement benefits $ | Long service leave $ | Options $ | Total $ |
| *Non-executive directors* | | | | | | | | |
| Rod North | 30,000 | | - | - | - | - | - | 30,000 |
| **Sub-total non-executive directors** | **30,000** | **-** | **-** | **-** | **-** | **-** | **-** | **30,000** |
| *Executive Chairman* | | | | | | | | |
| David Burton | 50,000 | - | - | 5,750 | - | - | - | 55,750 |
| *Executive Director & CEO* | | | | | | | | |
| David Burton | 178,280 | - | - | 20,502 | - | - | - | 198,782 |
| *Executive Director* | | | | | | | | |
| David Lawson | 35,000 | - | - | 4,025 | - | - | - | 39,025 |
| *Executive Director & CFO* | | | | | | | | |
| David Lawson | 326,768 | - | - | 32,058 | - | 9,726 | - | 368,552 |
| *Other key management personnel* | | | | | | | | |
| Warwick Freeman | 305,229 | - | - | 31,075 | - | 8,622 | - | 344,926 |
| Christoph Witte [1] | 228,479 | - | - | 2,063 | - | - | - | 230,542 |
| **Total key management personnel compensation** | **1,153,756** | **-** | **-** | **95,473** | **-** | **18,348** | **-** | **1,267,577** |

| 2024 | Short-term benefits | | | Post-employment benefits | | Long term benefits | Share based payments | |
|---|---|---|---|---|---|---|---|---|
| Name | Cash salary and fees $ | Cash bonus $ | Non-monetary benefits $ | Super-annuation $ | Retirement benefits $ | Long service leave $ | Options $ | Total $ |
| *Non-executive directors* | | | | | | | | |
| Rod North | 30,000 | | - | - | - | - | - | 30,000 |
| **Sub-total non-executive directors** | **30,000** | **-** | **-** | **-** | **-** | **-** | **-** | **30,000** |
| *Executive Chairman* | | | | | | | | |
| David Burton | 50,000 | - | - | 5,500 | - | - | - | 55,500 |
| *Executive Director & CEO* | | | | | | | | |
| David Burton | 178,280 | - | - | 19,611 | - | - | - | 197,891 |
| *Executive Director* | | | | | | | | |
| David Lawson | 35,000 | - | - | 3,464 | - | - | - | 38,464 |
| *Executive Director & CFO* | | | | | | | | |
| David Lawson | 313,768 | - | - | 31,050 | - | 6,624 | - | 351,442 |
| *Other key management personnel* | | | | | | | | |
| Warwick Freeman | 305,229 | - | - | 29,724 | - | 4,667 | - | 339,620 |
| Christoph Witte | 358,152 | - | - | 24,773 | - | - | - | 382,925 |
| **Total key management personnel compensation** | **1,270,429** | **-** | **-** | **114,122** | **-** | **11,291** | **-** | **1,395,842** |

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

| Name | Fixed Remuneration | | At risk – STI | | At risk - LTI | |
|---|---|---|---|---|---|---|
| | 2025 % | 2024 % | 2025 % | 2024 % | 2025 % | 2024 % |
| Directors of Compumedics Limited | | | | | | |
| David Burton | 100 | 100 | - | - | - | - |
| David Lawson | 100 | 100 | - | - | - | - |
| Rod North | 100 | 100 | | | | |
| Other key management personnel of Compumedics Limited | | | | | | |
| Warwick Freeman | 100 | 100 | - | - | - | - |
| Christoph Witte | 100 | 100 | - | - | - | - |

[1] Resigned July 2024

The table below identifies for each cash bonus and grant of options included in the tables on page 10, the percentage of the available bonus or grant that was paid, or that vested, in the financial year, and the percentage that was forfeited because the person did not meet the service and performance criteria set. No other cash bonus targets were set for any other executive of the Group for the year ended 30 June 2025. As such no other executive was eligible for a cash bonus and as a consequence did not forfeit a cash bonus.

| | Cash bonus | |
|---|---|---|
| **Name** | **Paid %** | **Forfeited %** |
| David Burton | **N/A** | N/A |
| David Lawson | **N/A** | N/A |
| Christoph Witte | **N/A** | N/A |

## C Service agreements

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of the director.

Remuneration and other terms of employment for the Chief Financial Officer and the other key management personnel are also formalised in service agreements. Each of these agreements provide for the provision of performance-related cash bonuses, other benefits including health insurance, car allowances and tax advisory services, and other benefits set out below.

All contracts with executives may be terminated early by either party, subject to termination payments, as detailed below.

*David Burton, Chief Executive Officer/Chairman*

- Fee for services provided for the year ended 30 June 2025 of $198,782 to be reviewed annually by the remuneration committee. Director's fees of $55,750 were also paid (2024: $55,500). David Burton is also entitled to participate in the Medical Innovation Long Term Performance Plan as approved at the 2009 and 2014 Annual General Meetings.
- D & DJ Burton Holdings Pty Ltd a Company associated with D. Burton receives licence fees, described in Note 31.
- Performance bonus: No performance bonus was paid during the financial year. (2024: NIL).
- Review of last salary and fees - 1 July 2024
- David Burton has a formal Employment Contract, which covers the above terms, amongst other items, including a twelve-month notice period.

*David Lawson, Executive Director, Chief Financial Officer/Company Secretary*

- Base salary inclusive of superannuation, for the year ended 30 June 2025 of $368,552 to be reviewed annually by the remuneration committee. Director's fees of $39,025 were also paid (2024: $38,464)
- Performance bonus: No performance bonus was granted or paid during the financial year. (2024: NIL)
- Review of last salary - 1 July 2024
- The service agreement takes the form of a letter of offer, which incorporates Compumedics standard conditions of employment, which includes a twelve-month termination notice period, amongst other statutory conditions.

*Warwick Freeman, Chief Technology Officer*

- Base salary inclusive of superannuation, for the year ended 30 June 2025 of $344,926 to be reviewed annually by the remuneration committee. (2024: $339,620)
- Review of last salary – 1 July 2024
- The service agreement takes the form of a letter of offer, which incorporates Compumedics standard conditions of employment, which includes a twelve-month termination notice period, amongst other basic statutory conditions.

*Christoph Witte, Managing Director, DWL (resigned July 2024)*

- Christoph Witte resigned from his role in July 2024 and was paid out his six-month contractual notice period.
- Base salary inclusive of superannuation, for the year ended 30 June 2025 of EUR223,188 (2024: EUR223,188) to be reviewed annually by the remuneration committee
- Car Allowance of EUR8,673 (2024: EUR8,673)
- Performance bonus – a NIL performance bonus was granted or paid during the year ended 30 June 2025. (2024: NIL)
- Review of last salary -1 July 2024
- Christoph Witte's service agreement included a six-month notice period and other customary conditions.

## D Share-based compensation

The establishment of the Compumedics Limited Employee Option Plan was approved by shareholders immediately prior to the listing of the Company in December 2000. All staff are eligible to participate in the plan. Options are typically granted under the plan for no consideration except when options are issued in lieu of a cash bonus as noted below. Options are granted for a five-year period and each new tranche vests is exercisable on the following basis:

(i) 20% of each new tranche vests and is exercisable at the 1st anniversary date of the grant
(ii) 30% of each new tranche vests and is exercisable at the 2nd anniversary date of the grant
(iii) 50% of each new tranche vests and is exercisable at the 3rd anniversary date into one ordinary share of the Company.

The exercise price of the options is based on the closing price at which the Company's shares are traded on the Australian Securities Exchange on the day prior to the grant.

Where options have been taken in lieu of a cash bonus the vesting period does not apply, and the exercise price is 1 cent per share. The number of options issued is calculated by dividing the cash bonus available by the average share price for the 5 trading days prior to the granting of the options taken in lieu of the cash bonus.

The Group did not have any share-based payments in the full year ended 30 June 2025. Unissued ordinary shares in Compumedics Limited under option at the date of this report held by directors are Nil.

## E Additional information

### Loans to directors and executives

There are no current loans to directors and executives.

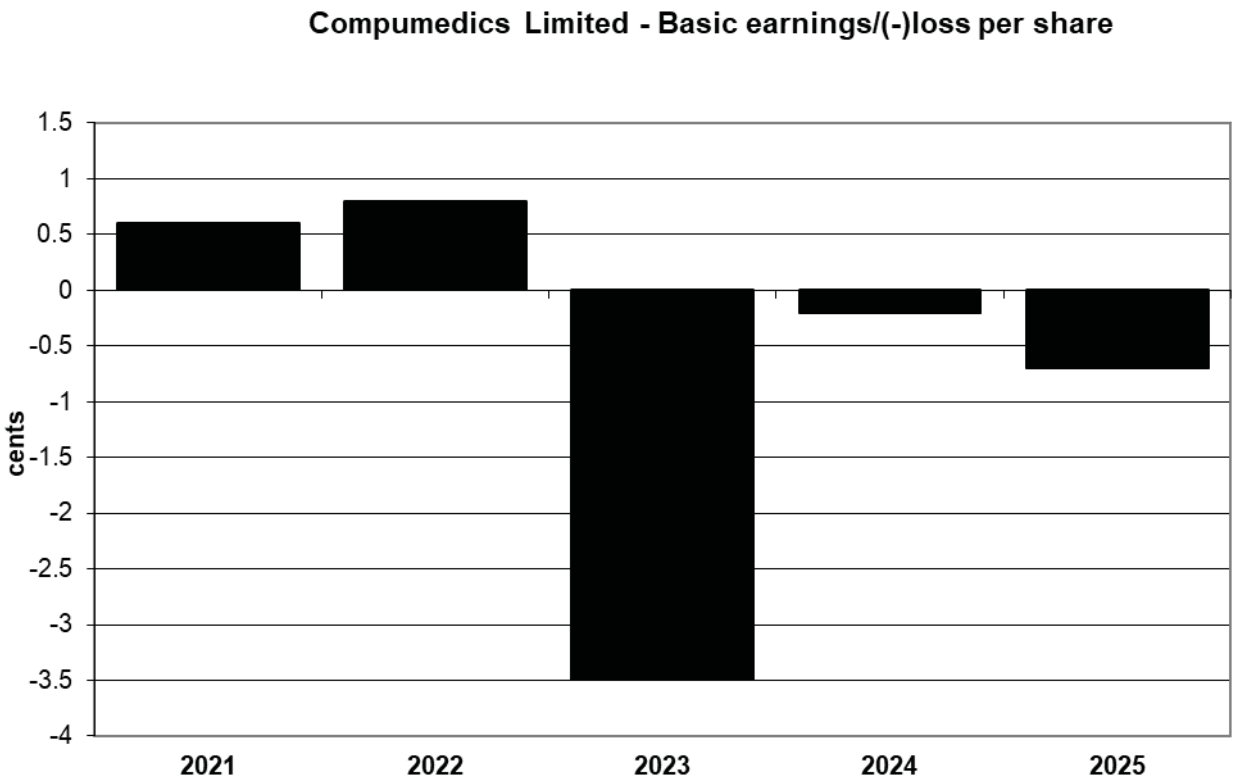
### Shares under option

There were no unissued ordinary shares of Compumedics Limited under option at the date of this report. No options expired during the financial year ended 30 June 2025 (2024: NIL).

There were no new options issued during the year.

**(This concludes the remuneration report, which has been audited)**

***Group performance***




The earnings/(loss) per share performance of the Compumedics Group in FY25 reflects ongoing trading improvements alongside continued investment in growth. Although the Group reported a modest loss per share, the result represents a substantial turnaround from FY23, supported by higher sales and stronger margins across key product lines. The US business advanced its recovery trajectory, while the DWL business stabilised, establishing a stronger platform for growth into FY26.

**Insurance of officers**

During the financial year, Compumedics Limited paid premiums of $57,908 to insure the Directors and Secretary of the Company and its Australian-based controlled entities, and the Executives and other senior managers of each of the divisions of the Group.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

**Proceedings on behalf of the Company**

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001.*

## Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to the auditor Nexia Melbourne Audit Pty Ltd, for non-audit services provided during the year are set out below.

The Board of directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

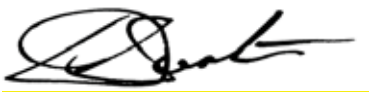
| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| **Non-audit services** | | |
| *Taxation services* | | |
| Tax compliance services | 62,000 | 62,000 |
| **Total remuneration for taxation services** | **62,000** | 62,000 |

**Auditor's independence declaration**
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 15.

**Rounding of amounts**
Compumedics Limited is a type of Company referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest $1,000, or in certain cases, to the nearest dollar.

**Auditor**
Nexia Melbourne Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001.*

This report is made in accordance with a resolution of directors.



David Burton
Director

Melbourne
30 September 2025

Nexia Melbourne Audit Pty Ltd
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To the Board of Directors of Compumedics Limited

## Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead auditor for the audit of the financial statements of Compumedics Limited for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

Yours sincerely

**Nexia Melbourne Audit Pty Ltd**
Melbourne

**Chapman Wan**
Director

Dated this 30th day of September 2025

# Financial Statements – 30 June 2025

This financial report covers consolidated financial statements for the consolidated entity consisting of Compumedics Limited and its subsidiaries. The financial report is presented in the Australian currency and all values are rounded to the nearest thousand dollars ($000) unless otherwise stated.

Compumedics Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Compumedics Limited
30-40 Flockhart Street
Abbotsford VIC 3067
Australia

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations and activities on pages 2 - 3 in the directors' report, which is not part of this financial report.

The financial report was authorised for issue by the directors on 30 September 2025. The Company has the power to amend and reissue the financial report.

Using the Internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial reports and other information are available to our investors on our website: www.compumedics.com.au.

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

**For the year ended 30 June 2025**

| | Notes | Consolidated 2025 $'000 | Consolidated 2024 $'000 |
|---|---|---|---|
| **Revenue** | | | |
| Sale of goods and services | 5 | 50,829 | 49,719 |
| | | **50,829** | **49,719** |
| **Other income** | 6 | 211 | 543 |
| **Expenses** | | | |
| Cost of sales | | (22,911) | (23,651) |
| Administration | | (7,867) | (7,082) |
| Sales and marketing | | (18,024) | (14,056) |
| Research and development | 7 | (1,342) | (5,742) |
| Write back of impairment of intangible assets | | - | 1,666 |
| Finance costs | 7 | (1,285) | (739) |
| Net foreign exchange loss | | (22) | (178) |
| **Profit/(loss) before income tax** | | **(411)** | **480** |
| Income tax (expense)/benefit | 8 | (857) | (818) |
| **Net loss for the year** | | **(1,268)** | **(338)** |
| **Other comprehensive income:** *Items that will be reclassified subsequently to profit and loss when specific conditions are met.* | | | |
| Foreign currency translation | | 974 | (560) |
| Other comprehensive income/(loss) for the year | | 974 | (560) |
| Tax impact of other comprehensive income/(loss) | | - | - |
| **Total comprehensive income/(loss) for the year** | | **(294)** | **(898)** |
| **Profit/(Loss) is attributable to:** | | | |
| Equity holders of Compumedics Limited | | **(1,268)** | **(338)** |
| **Total comprehensive income/(loss) for the year is attributable to:** | | | |
| Equity holders of Compumedics Limited | | **(294)** | **(898)** |
| **Earnings/(loss) per share for profit/(loss) attributable to the ordinary equity holders of the Company:** | | **Cents** | **Cents** |
| Basic earnings / (loss) per share | 36 | (0.7) | (0.2) |
| Diluted earnings / (loss) per share | 36 | (0.7) | (0.2) |

*The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.*

# Consolidated Statement of Financial Position

**As at 30 June 2025**

| | Notes | Consolidated 2025 $'000 | Consolidated 2024 $'000 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 9 | 2,690 | 1,890 |
| Trade and other receivables | 10 | 14,876 | 10,427 |
| Inventories | 11 | 14,656 | 13,211 |
| Other assets | 12 | 2,994 | 712 |
| **Total current assets** | | **35,216** | **26,240** |
| **Non-current assets** | | | |
| Investments accounted for using the equity method | | 755 | 652 |
| Property, plant and equipment | 13 | 1,109 | 1,387 |
| Right-of-use assets | 27 | 674 | 1,566 |
| Deferred tax assets | | - | 354 |
| Intangible assets | 14 | 16,587 | 10,159 |
| **Total non-current assets** | | **19,125** | **14,118** |
| **Total assets** | | **54,341** | **40,358** |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 15 | 11,610 | 7,703 |
| Borrowings | 16 | 13,166 | 6,977 |
| Lease liabilities | 27 | 529 | 775 |
| Employee benefits | 17 | 4,282 | 3,932 |
| Provisions | 18 | 548 | 527 |
| Current tax liabilities | | 184 | - |
| Contract liabilities | 19 | 1,529 | 1,338 |
| **Total current liabilities** | | **31,848** | **21,252** |
| **Non-current liabilities** | | | |
| Lease liabilities | 27 | 184 | 826 |
| Deferred tax liabilities | | 331 | - |
| Employee benefits | 20 | 33 | 36 |
| Contract liabilities | 21 | 237 | 34 |
| **Total non-current liabilities** | | **785** | **896** |
| **Total liabilities** | | **32,633** | **22,148** |
| **Net assets** | | **21,708** | **18,210** |
| **EQUITY** | | | |
| Contributed equity | 22 | 39,446 | 35,654 |
| Reserves | 23(a) | 842 | (132) |
| Accumulated losses | 23(b) | (18,580) | (17,312) |
| **Total equity** | | **21,708** | **18,210** |

*The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.*

# Consolidated Statement of Changes in Equity

**For the year ended 30 June 2025**

| | Contributed equity $'000 | Reserves $'000 | Accumulated losses $'000 | Total $'000 |
|---|---|---|---|---|
| **At 1 July 2023** | **35,654** | **(428)** | **(17,791)** | **18,291** |
| Loss for the year | - | - | (338) | (338) |
| Other comprehensive loss | - | (560) | - | (560) |
| **Total comprehensive income/(loss) for the year** | - | **(560)** | **(338)** | **(898)** |
| **Transactions with owners in their capacity as owners** | | | | |
| Conversion of losses to equity in Compumedics France SAS | - | - | 817 | 817 |
| **At 30 June 2024** | **35,654** | **(132)** | **(17,312)** | **18,210** |
| | | | | |
| **At 1 July 2024** | **35,654** | **(132)** | **(17,312)** | **18,210** |
| Loss for the year | - | - | (1,268) | (1,268) |
| Other comprehensive income | - | 974 | - | 974 |
| **Total comprehensive income/(loss) for the year** | - | **974** | **(1,268)** | **(306)** |
| **Transactions with owners in their capacity as owners:** | | | | |
| Contributions of equity, net of transaction costs | 3,792 | - | - | 3,792 |
| **At 30 June 2025** | **39,446** | **842** | **(18,580)** | **21,708** |

*The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

# Consolidated Statement of Cash Flows

**For the year ended 30 June 2025**

| | Notes | Consolidated 2025 $'000 | Consolidated 2024 $'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers (inclusive of goods and services tax) | | 45,515 | 52,938 |
| Payments to suppliers and employees (inclusive of goods and services tax) | | (43,994) | (50,793) |
| Interest and other costs of finance paid | | (1,285) | (739) |
| Receipts from grants and other income | | 86 | 543 |
| Interest received | | 125 | 52 |
| **Net cash inflow from operating activities** | 34 | **447** | **2,001** |
| **Cash flows from investing activities** | | | |
| Payment for property, plant, and equipment | | (214) | (313) |
| Payment for intangible assets | | (7,138) | (2,674) |
| **Net cash (outflow) from investing activities** | | **(7,352)** | **(2,987)** |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | | 4,050 | - |
| Share issue transaction costs | | (258) | - |
| Proceeds from borrowings | | 4,698 | - |
| Repayment of borrowings | | (1,501) | (946) |
| Repayment of lease liabilities (principal only) | | (887) | (544) |
| **Net cash inflow/(outflow) from financing activities** | | **6,102** | **(1,490)** |
| **Net (decrease) in cash and cash equivalents** | | (803) | (2,476) |
| Cash and cash equivalents at the beginning of the financial year | | (269) | 2,300 |
| Effects of exchange rate changes on cash and cash equivalents | | 41 | (93) |
| **Cash and cash equivalents at end of year** | 9 | **(1,031)** | **(269)** |

*The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.*

# Notes to the Financial Statements

**For the year ended 30 June 2025**

## 1. Material accounting policy information

The material accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes financial statements for the consolidated entity consisting of Compumedics Limited and its subsidiaries. Compumedics Limited is the ultimate parent entity.

### (a) Basis of preparation

This general-purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report has been prepared for a for-profit-entity.

***Compliance with IFRS***
The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

***Historical cost convention***
These financial statements have been prepared under the historical cost convention.

***Critical accounting estimates***
The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

**Going Concern and funding facilities**
During the year ended 30 June 2025 the Group reported a loss before tax of $0.4m and net positive cash flow from operations of $0.4m. The Group also reported cash of $2.7m on 30 June 2025, compared to $1.9m on 30 June 2024, and borrowings of $13.2m on 30 June 2025, compared to $7.0m on 30 June 2024.

The Company has three covenants related to its borrowings, which were tested on 30 June 2025. At that date, the Company was not in compliance with the Financial Debt to EBITDA ratio, the Capital Ratio, or the Debt Service Cover Ratio. These outcomes were primarily driven by the Company's strategic investment in MEG manufacturing capacity and the expansion into the US market during FY25. The Company expects to return to compliance with all covenants at the next testing date of 31 December 2025, based on the current forecast of the business, which underpins the guidance provided to market for FY26, being revenues of more than $70m and EBITDA of about $9m.

Whilst the Company's bank reserves its rights under the existing lending facilities, the bank is not taking any action against the Company in relation to the non-compliance of the covenants at 30 June 2025, and the Company continues to work with the bank to restore compliance at 31 December 2025.

During the year the Company also strengthened its funding position, completing a $3.8m equity raise and securing additional lending facilities with its existing bank, including $4.5m dedicated to MEG builds and $2m in general working capital. These facilities support the delivery of the $15m MEG backlog and provide flexibility for working capital needs as the business scales.

In addition, the Board remains prepared to consider further capital raising or additional debt finance should the need arise to support growth opportunities or to ensure covenant compliance.

Given these additional funding activities and the ongoing trading performance of the Company, the Directors have prepared the financial statements on a going-concern basis.

**Changes in Accounting Policies**
There were no changes in accounting policies in the year ended 30 June 2025.

## 1. Material accounting policy information (continued)

### (b) Principles of consolidation

*Subsidiaries*
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Compumedics Limited (''Group'') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Compumedics Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which the Group obtains control and cease to be consolidated from the date on which control is transferred out of the Group. The Group uses the acquisition method of accounting to account for the acquisition of subsidiaries.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

### (c) Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations, which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the Board of directors.

Operating segments have been identified based on the information provided to the chief operating decision maker being the executive management team.

The group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in each of the following respects:
- Nature of the products and services,
- Nature of the production processes,
- Type or class of customer for the products and services,
- Methods used to distribute the products or provide the services, and if applicable
- Nature of the regulatory environment.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

### (d) Foreign currency translation

*(i) Functional and presentation currency*
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Compumedics Limited's functional and presentation currency.

## 1. Material accounting policy information (continued)

### (d) Foreign currency translation (continued)

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

*(iii) Group companies*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are taken to foreign currency translation reserve. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in profit or loss, as part of the gain or loss on sale where applicable. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

### (e) Revenue from contracts with customers

The core principle of AASB15 is that revenue is recognised taking into consideration the following five elements in any contract of sale by the Company to a customer:

1. Identification of a contract with a customer
2. Identification of the performance obligations in the contract with a customer
3. Determination of the transaction price of the contract with a customer
4. Consideration of the transaction price alongside the performance obligations in the contract
5. Recognition of revenue (or the transaction price) when (or as) the Company satisfies a performance obligation

In assessing the above criteria, the Group has reviewed the parameters of the contracts of sale it typically enters into with customers when selling products and/or services to them and has grouped contracts of sale with similar parameters together for the purposes of recognising revenue.

The accounting policy for the sale of products and the sale of services is:

**The sale of products**

The Group typically sells its products, being medical devices (hardware and software), either directly to end-user customers, such as hospitals, private physicians, universities or medical service providers, or to distributors, who then sell the product onto end-user customers.

Where the Group sells products to end-user customers there is typically an installation and training obligation at the end-user customer site, once the goods have been shipped to the end-user customer. In such situations the contract of sale with the end-user customer will separately identify the installation and training obligation, with a separate price for that installation and training obligation.

Taking into consideration the terms and conditions of sale, which forms the basis of the contract of sale between the Group and the end-user customer the Group recognises the sale of the products when the products are shipped from the Group's facility to the end-user customer, excluding that part of the price that is separately attributable to the installation and training obligation. This revenue will be recognised once the installation and training obligation has been satisfied.

## 1. Material accounting policy information (continued)

### (e) Revenue from contracts with customers (continued)

Where the Group sells its products to its distributors, who then sell those products to end-user customers the Group typically, does not have an installation and training obligation with the distributor. As such the Group will recognise revenue for the sale of products to its distributors when the products are shipped to the distributor.

Should the Group sell products to end-user customers or distributors that have different terms and conditions in the contract of sale, to those typically entered into then the Group will review the specific contract of sale and book revenue according to the completion of the terms of the contract of sale.

**The sale of services**

The Group typically sells its services, being post product-sale technical service and support or software-as-a-service (typically diagnostic software sold on a per-use or per-user basis) either under an annual or multi-year contract with an end-user customer, or on a per-use, or once-off basis.

Typically, the entering of a contract for post product-sale technical service and support by an end-user customer will involve the Group providing pre-defined on-site, over the phone, or WEB-based technical advice regarding the use and/or application of the product. Typically, the contract for service will also include performance parameters for service and repair of the products, should they malfunction, be broken or be damaged in use.

Where the Group sells post product-sale technical service and support services to end-user customers under an annual or multi-year contract, the Group will recognise the revenue associated with these contracts for service on a monthly basis as the service obligation for that month is satisfied.

If an end-user customer does not enter into an annual or multi-year service contract and requires these types of services to be performed by the Group then the end-user customer shall pay for these services on a per-use, or once-off basis. Revenue associated with these per-use or one-off contracts for service will be recognised at the time the service obligation by the Group is satisfied with the end-user customer.

Typically, distributors of the Group's products will not require services as described above, but where they do, revenue will be recognised in the manner described above.

Where the Group sells its diagnostic software on a per-use or per-user basis under an annual or multi-year contract to an end-user customer, the Group will recognise that revenue each month as the delivery of the diagnostic software obligation on a per-use or per-user basis is satisfied with the end-user customer for that month.

Should the Group sell services to end-user customers or distributors that have different performance obligations in the contract of service, to those typically entered into, and as described above, then the Group will review the specific contract of service in relation to terms of that contract and book revenue according to the obligations of the contract of service.

**Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be compiled with. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. Government grants relating to an asset are presented in the Statement of Financial Position as unearned revenue.

Government grants and assistance that compensate for costs incurred are deferred and recognised in the Statement of Comprehensive income on systematic basis over the period in which the costs are recognised. Government grants and assistance that compensate for costs are presented in the Statement of Comprehensive income as other income.

## 1. Material accounting policy information (continued)

### (f) Income tax

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that enough taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

*Tax consolidation legislation*
Compumedics Limited and its wholly owned Australian controlled entities have not implemented the tax consolidation legislation.

*Other taxes*

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable
- Receivables and payables, which are stated with the amount of GST included

## 1. Material accounting policy information (continued)

### (f) Income tax (continued)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### (g) Leases

At inception of a contract, the Group assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy. The right-of-use asset is subject to the impairment requirements and is assessed for impairment indicators at each reporting date.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Group has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

## 1. Material accounting policy information (continued)

### (h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

### (i) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

### (j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within 'sales and marketing expenses'. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

### (k) Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 1. Material accounting policy information (continued)

### (l) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

**Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

*Classification*

On initial recognition, the Group classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

*Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

*Fair value through other comprehensive income*

Equity instruments

The Group has a number of strategic investments in listed and unlisted entities over which are they do not have significant influence nor control. The Group has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

*Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost; and
- contract assets.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is

relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

*Trade receivables and contract assets*

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

*Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

**Financial liabilities**

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans and finance lease liabilities.

**Impairment of non-financial assets**

At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for goodwill, the recoverable amount of the asset is estimated. Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash generating unit.

## 1. Material accounting policy information (continued)

### (k) Impairment of non-financial assets (continued)

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

### (m) Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost or re-valued amounts, net of their residual values, over their estimated useful lives. The expected useful lives for all categories of property, plant and equipment are between 3 and 6 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(h)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

### (n) Intangible assets

*Research and development*
Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the statement of comprehensive income as an expense when it is incurred. Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development.

The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, which is dependent on the specific activity capitalised. The Somfit and MEG is currently being amortised over 20 years.

### (o) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

## 1. Material accounting policy information (continued)

### (p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

### (q) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

Borrowing costs include:
- Interest on bank overdrafts, other short-term funding facilities and short-term and long-term borrowings,
- Finance lease charges, and
- Bank charges on borrowing facilities.

### (r) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### (s) Employee benefits

*(i) Wages and salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

*(ii) Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

## 1. Material accounting policy information (continued)

### (s) Employee benefits (continued)

*(iii) Share-based payments*

Share-based compensation benefits, if applicable, are provided to employees via the Compumedics Employee Option Plan. Information relating to these schemes is set out in note 30.

The fair value of options granted under the Compumedics Employee Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market-vesting conditions but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period considers the most recent estimate. The impact of the revision to original estimates, if any, is recognised in profit or loss with a corresponding adjustment to equity.

*(iv) Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after reporting date are discounted to present value.

### (t) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### (u) Dividends

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at reporting date.

### (v) Earnings per share

*(i) Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

*(ii) Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## 1. Material accounting policy information (continued)

### (w) Rounding of amounts

Compumedics Limited is a type of Company referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest $1,000, or in certain cases, to the nearest dollar.

### (x) Reclassifications

Certain reclassifications have been made in the financial statements to ensure that prior year comparisons conform to the current year presentations.

### (y) New accounting standards and interpretations

The following standards and interpretations have been issued by the AASB but are not yet effective for the year ended 30 June 2025.

| Standard Name | Requirements | Effective date | Likely impact on initial application |
|---|---|---|---|
| **AASB 2023-5** | **Amendments to Australian Accounting Standards – Lack of Exchangeability**<br>The Standard amends AASB 121 and AASB 1 to require entities to apply a consistent approach to determining whether a currency is exchangeable into another currency and the spot exchange rate to use when it is not exchangeable.<br>The Standard also amends AASB 121 to extend the exemption from complying with the disclosure requirements of AASB 121 for entities that apply AASB 1060 for Tier 2 financial statements | 1 Jan 2025 | 30 Jun 2026 |
| **AASB 2022-9** | **Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector**<br>The Standard amends AASB 17 to include modifications that apply to public sector entities.<br>It also amends AASB 1050 to provide an accounting policy choice for government departments to apply either AASB 17 or AASB 137 in determining the information to be disclosed about administered captive insurer activities. | 1 Jul 2026 | 30 Jun 2027 |
| **AASB 2024-2** | **Amendments Australian Accounting Standards – Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7**<br>The standard amends AASB 9 and AASB 7 to clarify:<br>a) the classification of financial assets with environmental, social and corporate governance (ESG) and similar features; and<br>b) the date on which a financial asset or financial liability is derecognised where settlement of a financial liability occurs through electronic payment systems. | 1 Jan 2026 | 30 Jun 2027 |
| **AASB 2024-3** | **Amendments to Australian Accounting Standards – Annual Improvements Volume 11**<br>This Standard amends:<br>a) AASB 1 to improve consistency with the requirements for hedge accounting in AASB 9; | 1 Jan 2026 | 30 Jun 2027 |

| Standard Name | Requirements | Effective date | Likely impact on initial application |
|---|---|---|---|
| | b) AASB 7 to replace a cross-reference with a reference to AASB 13 Fair Value Measurement<br><br>c) AASB 9 to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished; and address an inconsistency between AASB 9 and the requirements in AASB 15 in relation to the term 'transaction price';<br><br>d) AASB 10 in relation to determining de facto agents of an entity; and<br><br>e) AASB 107 to replace the term 'cost method' with 'at cost' as the term is no longer defined in Australian Accounting Standards. | | |
| **AASB 2025-1** | **Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity**<br><br>This Standard amends AASB 7 and AASB 9 to reflect nature-dependent electricity contracts that entities use to secure their electricity supply from sources such as wind and solar power | 1 Jan 2026 | 30 Jun 2027 |
| **AASB 2025-2** | **Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments: Tier 2 Disclosures**<br><br>This Standard amends AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities to require a Tier 2 entity to disclose information about financial instruments with contingent features that do not relate directly to basic lending risks and costs that enables users of financial statements to understand the effect that changes in contractual terms could have on the entity's future cash flows.<br><br>This amendment reflects the issuance of AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments, which amended AASB 7 Financial Instruments: Disclosures and AASB 9 Financial Instruments and extends some of the new disclosure requirements to Tier 2 entities. | 1 Jan 2026 | 30 Jun 2027 |
| **AASB 2025-3** | **Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity: Tier 2 Disclosures**<br><br>This Standard amends AASB 1060 to incorporate the disclosures about nature-dependent electricity contracts added by AASB 2025-1 for Tier 1 entities that are relevant for Tier 2 entities. A Tier 2 entity is required to disclose information about nature-dependent electricity contracts that meet the 'own-use' criteria and are recognised as procurement contracts. | 1 Jan 2026 | 30 Jun 2027 |
| **AASB 2014-10** | **Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to AASB 10 and AASB 128)**<br><br>Amends AASB 10 and AASB 128 to remove the inconsistency in dealing with the sale or contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. | 1 Jan 2028 | 30 Jun 2029 |

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 2. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance and financial position of the Group.

Risk management is carried out by the senior managers of the Group.

### (a) Market risk

*(i) Foreign currency risk*

Foreign exchange risk arises when recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group operates internationally and is exposed to foreign exchange risk primarily arising from currency exposures to the US dollar and the Euro.

The Group does not generally use derivative financial instruments as the Group seeks to offset its revenues and receivables denominated in US dollars and Euros with expenses and payables in the same currency where it is appropriate to do so. The Group will look to cover specific foreign currency exposures where it is appropriate to do so.

The Group's and parent entity's exposure to foreign currency risk at the reporting date was as follows:

| | 30 June 2025 | | 30 June 2024 | |
|---|---|---|---|---|
| | USD $'000 | EUR $'000 | USD $'000 | EUR $'000 |
| **Financial assets** | | | | |
| Cash and cash equivalents | 588 | 428 | 619 | 483 |
| Trade receivables | 1,680 | 3,316 | 3,002 | 2,664 |
| **Financial liabilities** | | | | |
| Bank and other loans | - | (261) | - | (359) |
| Trade payables | (1,915) | (288) | (590) | (237) |
| **Net exposure** | **353** | **3,195** | **3,031** | **2,551** |

*Sensitivity analysis*

Based on the financial instruments held on 30 June 2025, had the Australian dollar weakened/strengthened by five percent against the US dollar with all other variables held constant, the Group’s post-tax loss for the year would have been $0.025m higher / $0.028m lower (2024: $0.218m higher / $0.241m lower), as a result of foreign exchange gains/losses on translation of US dollar denominated financial instruments as detailed in the above table. Based on the financial instruments held on 30 June 2025, had the Australian dollar weakened/strengthened by five percent against the EURO with all other variables held constant, the Group’s post-tax profit for the year would have been $0.272m higher / $0.301m lower (2024: $0.196m higher / $0.217m lower), as a result of foreign exchange gains/losses on translation of EURO dollar denominated financial instruments as detailed in the above table. The Group and parent entity's exposure to other foreign exchange movements is not material. The Group considers a five percent movement in either the US dollar or the Euro appropriate for the purposes of this sensitivity analysis as historically the Australian dollar has moved in a plus or minus five percent band against the US dollar and the Euro in any given recent financial year.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 2. Financial risk management (continued)

#### (a) Market risk (continued)

The parent entity has a current intercompany account receivable with the US business, all of which is considered a net investment in the US legal entity. As such, any exchange gain or loss resulting from the translation into Australian Dollars of the net investment of the intercompany account is taken to a foreign currency translation reserve. There is no profit or loss impact from movements in exchange rates relating to this net investment.
The parent entity likewise considers its intercompany account with the German and French businesses as part of its net investment and again there is no profit or loss impact from movements in exchange rates related to these net investments.

*(ii) Interest rate risk*
As at the reporting date, the Group had the following variable rate borrowings outstanding:

| | 30 June 2025 | | 30 June 2024 | |
|---|---|---|---|---|
| | Weighted average interest rate % | Balance $'000 | Weighted average interest rate % | Balance $'000 |
| **Consolidated** | | | | |
| Cash and cash equivalents | 0.00% | 2,690 | 0.00% | 1,890 |
| Bank overdrafts and loan facilities | 8.80% | 13,166 | 8.80% | 7,026 |

*Sensitivity analysis*
The Group's overall sensitivity to interest rate movements is, in part, dependent on the underlying profitability of the Group. If the Group delivers profits at the level achieved in the year ended 30 June 2025, then based on 30 June 2025 year end borrowing of $5.0m a plus or minus 2% movement in interest rates (+/- $100,000) would not cause a material change in underlying profitability of the Group.

The Group has adopted a policy of predominantly borrowing in Australian dollars with Australian banks and/or other financial institutions as it builds its offshore businesses. The Group does have an overdraft in its 100% subsidiary Compumedics Germany GmbH. The facility limit is EUR350k.

#### (b) Credit risk

The Group currently sells goods and services primarily to four major geographic regions being:
- Australia and New Zealand (A & NZ)
- United States of America (USA)
- Europe, the Middle East and Africa (EMEA)
- Asia

The sale of goods and services into Australia and New Zealand, the USA, France and Germany are made directly to the end user customer.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 2. Financial risk management (continued)

#### (b) Credit risk (continued)

The sale of goods and services to Europe, the Middle East, Africa and Asia are typically made via distributors based in specific countries in Europe (excluding France and Germany), the Middle East, Africa and Asia. The distributor then on sells the goods to the end user customer in the specific country in Europe, the Middle East, Africa and Asia.

The collectability of receivables within agreed terms is typically better where the goods and services are sold to a direct customer rather than to a distributor.

The Group does not hold any credit derivatives to offset its credit exposure. The Group also has an overdraft facility in its 100% owned Germany based subsidiary, Compumedics Germany GmbH, details of which can be found at Note 16. These financing activities do not affect this analysis of credit risk summarised here.

The Group trades only with recognised, creditworthy third parties.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer in accordance with parameters set by the Board. These risk limits are regularly monitored.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's experience of bad debts has not been significant, despite receivable balances remaining payable beyond terms. The following tables identify accounts receivable at 30 June 2025 and 30 June 2024 identified by debt owed into major region and currency. The aging analysis is presented based on due date of invoice.

| Region | Not Due $'000 | 1 to 29 Days $'000 | 30 Days $'000 | 60 Days $'000 | 90+ Days $'000 | Total $'000 |
|---|---|---|---|---|---|---|
| **2025** | | | | | | |
| Australia and Asia Pacific (AUD) | 1,343 | 7 | 103 | 83 | 208 | 1,744 |
| Australia and Asia Pacific (USD) | 2,313 | 116 | 90 | 198 | 128 | 2,845 |
| Australia and Asia Pacific (EUR) | 242 | 11 | 129 | - | 76 | 458 |
| USA Entities (USD) | 2,459 | 523 | 47 | 5 | 352 | 3,386 |
| European Entities (EUR) | 2,910 | 1,439 | 114 | 519 | 1,463 | 6,445 |
| | 9,267 | 2,096 | 483 | 805 | 2,227 | 14,878 |
| Provision | | - | - | - | (100) | (100) |
| **2024** | | | | | | |
| Australia and Asia Pacific (AUD) | 1,132 | 176 | 368 | 105 | 37 | **1,818** |
| Australia and Asia Pacific (USD) | 1,765 | 103 | 67 | (92) | 321 | **2,164** |
| Australia and Asia Pacific (EUR) | 168 | 72 | - | (2) | 173 | **411** |
| USA Entities (USD) | 1,666 | 479 | 119 | 24 | 80 | **2,368** |
| European Entities (EUR) | 403 | 1,852 | 501 | 18 | 1,114 | **3,888** |
| | **5,134** | **2,682** | **1,055** | **53** | **1,725** | **10,649** |
| Provision | | - | - | - | (222) | (222) |

The table highlights that:

The collection of cash from the sale of goods and services to direct end user customers as identified by USA (USD) and Australia and Asia Pacific (AUD) accounts receivable usually occurs at or not long after agreed payment terms. Debtors in the 90-day column are 12.0% (2024: 3.4%) and 10.4% (2024: 2.0%) of the total debtors owing in the respective territories. Variations in the 90 day column year-on-year are usually not significant in absolute dollar terms, but in the current year reflect an outstanding debt in the US, which the Group views as recoverable, as such the balances do not reflect any deterioration in amounts owing but rather reflect timing issues related to installation and training and the subsequent collection of cash.

## 2. Financial risk management (continued)

### (b) Credit risk (continued)

- The collection of cash from the sale of goods and services to distributors in Europe, the Middle East, Africa and Asia as represented by Australia and Asia Pacific (USD) accounts receivable usually occur well after agreed payment terms.
- Debtors in the 90-day column are approximately 4.5% (2024: 14.8%) of the total debtors outstanding in the current year. The Group does not consider these accounts receivable to be at risk of non-payment but are the result of some delays with installations, particularly in Compumedics France and Germany at 30th June 2025. These have now largely been completed post financial year-end.
- The collection of cash from the sale of goods and services in the Europe-based business, which is primarily via distributors into Europe and Asia typically occurs after agreed payment terms. Debtors in the 90-day column for European Entities represent 22.7% (2024: 28.7%) of all debtors owed to this business, again reflecting delays in payment as a result of delayed installations. The Group sees this as a timing issue and expects full recoverability of the amounts owing.

Information on the Group's maximum exposure to credit risk and financial assets that are either past due or impaired can be found at Note 10.

### (c) Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and committed available credit lines.

The Group does not have a specific policy as to the ratio of long term to short term debt and has instead focused on minimising total Group debt.

The Group manages its liquidity risk by monitoring the total cash inflows and outflows expected on a monthly basis across its worldwide business units that reflect expectations of management of the expected settlement of financial assets and liabilities.

However, where the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Group can be required to pay. When the Group is committed to make amounts available in instalments, each instalment is allocated to the earliest period in which the Group is required to pay. For financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee can be called.

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows of non-derivative financial instruments. Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in the Group's ongoing operations such as property, plant, equipment and investments in working capital (e.g. inventories and trade receivables).

Liquid non-derivative assets comprising cash and receivables are considered in the Group's overall liquidity risk. The Group ensures that sufficient liquid assets are available to meet all the required short-term cash payments.

The Group increased bank debt from $7.0m to $13.2m during the financial year, whilst increasing cash of $2.7 million on 30 June 2025, compared to $1.9 million on 30 June 2024. The increase in bank debt results primarily from working capital needs and the timing of funds in and out of the business.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2025

### 2. Financial risk management (continued)

### (c) Liquidity risk (continued)

Details of the Group's financing arrangements can be found at Note 16.

Liquid Financial Assets and Liquid Financial Liabilities

| Consolidated | 6 months $000 | 6-12 months $000 | 1-5 years $000 | > 5 years $000 | Total $000 |
|---|---|---|---|---|---|
| **Year ended 30 June 2025** | | | | | |
| **Liquid financial assets** | | | | | |
| Cash and cash equivalents | 2,690 | - | - | - | 2,690 |
| Trade and other receivables | 14,876 | - | - | - | 14,876 |
| | 17,566 | - | - | - | 17,566 |
| **Financial liabilities** | | | | | |
| Trade and other payables | 11,610 | - | - | - | 11,610 |
| Interest bearing loans and borrowings | 13,166 | - | - | - | 13,166 |
| | **24,776** | **-** | **-** | **-** | **24,776** |
| **Net inflow / (outflow)** | **(7,210)** | **-** | **-** | **-** | **(7,210)** |
| **Year ended 30 June 2024** | | | | | |
| **Liquid financial assets** | | | | | |
| Cash and cash equivalents | 1,890 | - | - | - | 1,890 |
| Trade and other receivables | 10,427 | - | - | - | 10,427 |
| | 12,317 | - | - | - | 12,317 |
| **Financial liabilities** | | | | | |
| Trade and other payables | 7,703 | - | - | - | 7,703 |
| Interest bearing loans and borrowings | 6,977 | - | - | - | 6,977 |
| | **14,680** | **-** | **-** | **-** | **14,680** |
| **Net inflow / (outflow)** | **(2,363)** | **-** | **-** | **-** | **(2,363)** |

## 3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*(i) Deferred revenues*
In calculating the Group's deferred revenues at any point in time the Group makes a judgement regarding the revenues to be deferred to future periods in respect of future installations and training obligations.

The Group reviews its installation and training obligations charged specifically against invoices raised with customers and defers this amount. This amount is deferred until such time as the future installation and training obligations have been extinguished.

*(ii) Inventory*
At any given point the Group has an obligation to carry its inventory at the lower of cost and net realisable value. In determining the Group's compliance with this requirement, the Group reviews its slow-moving inventory at December 31 and June 30 each year. As a consequence of this review the financial provision for slow moving inventory is adjusted with a resulting profit or loss impact.

In determining the appropriateness of the slow-moving inventory provision, the Group makes estimates about its future use of certain product lines and the ultimate recoverability and usefulness of the inventory on hand.

Given the leading-edge technology nature of the Group's activities, this may mean that inventory that was previously considered usable and therefore of value may quickly become redundant, obsolete or simply no longer usable.

*(iii) Trade receivables*
Similarly, for trade receivables the Group must make an estimate at any given point in time as to the recoverability of the receivables it has on its ledger and a provision for impairment is created based on this estimate.

The estimate is based on many factors including:

- The Group's knowledge of its customers and the likelihood of there being any issue with payment
- The Group's prior good history in relation to collecting receivables
- The territory where the receivable is owed from; and
- The age of outstanding balances.

Using this information, the Group makes an assessment of the recoverability of its trade receivables.

*(iv) Recoverability of capitalised development costs*
The Group did capitalise additional costs of $7.1m (2024: $2.7m) related predominantly to the development of the Somfit product, but also including MEG. The recoverability of these costs is primarily dependent on the commercial success of the Somfit and MEG products, which form the basis of the net present value calculations, so that they will generate future economic benefits more than the costs capitalised and therefore supports the carrying value of the assets. The Group did review the carrying value of the intangible assets of the Group for the year on 30 June 2025 and is satisfied the carry values are recoverable. The Group continued amortisation of these costs in the 2025 financial year with a $0.8m (2024: $0.5m) charge to profit or loss in the current year, related to Somfit, MEG and the intangible assets in the DWL business in Germany.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 3. Critical accounting estimates and judgements

*(v) Deferred tax asset / liability*

The Group has booked a deferred tax asset related to the future benefit of unused tax credits as well as a net deferred tax asset relating to timing differences, where it is reasonably certain it can recover those losses against future taxable profits.

### 4. Operating Segments

### (a) Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in note 1 to the accounts and in the prior periods except as detailed below:

*Inter-entity sales*

Inter-entity sales are recognised based on an internally set transfer price. The price is set annually and aims to reflect what the business operations could achieve if they sold their output and services to external parties at arm's length.

*Corporate charges*

Corporate charges comprise non-segmental expenses such as head office expenses and interest. Corporate charges are allocated to each operating segment on a proportionate basis linked to segment revenue so as to determine a segmental result.

It is the Group's policy that if term of revenue and expenses are not allocated to operating segments then any associated assets and liabilities are also not allocated to segments. This is to avoid asymmetrical allocations within segments which management believe would be inconsistent.

### (b) Description of segments

**Identification of reportable segments**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (chief operating decision maker) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the geographical location in which products are sold and services provided, either directly to end-user customers or via distributors. Discrete financial information about each of these operating businesses is reported to the executive management team on at least a monthly basis.

**Geographic locations**

*Americas*

The Group's Americas based business includes, the United States, Canada and Latin America. The Group sells all of its product offerings in this region including sleep diagnostic systems, clinical EEG systems, brain monitoring systems, ultra-sonic blood-flow systems, supplies and technical service and support. The US business also includes that sleep diagnostic services business. Sales in the Americas are predominantly direct sales to end-user customers. The US office is based in Charlotte, North Carolina.

*Australia and Asia Pacific*

The Group's head office is based in Melbourne, Australia and the Australia and Asia Pacific territory includes all countries in the Asia Pacific region with major countries for the territory including Japan and China. The Group sells all of its product offerings in this region including sleep diagnostic systems, clinical EEG systems, brain monitoring systems, ultra-sonic blood-flow systems, supplies and technical service and support. The group sells directly to end-user customers in Australia and via a network of distributors into the Asian region.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 4. Operating Segments (continued)

*Europe and the Middle East*

The Group's Europe-based business has its principal office in Singen, Germany with additional offices in Hamburg and Freiburg Germany. The Europe based territory includes all countries in the European region, plus all Middle Eastern countries. The Group sells all of its product offerings in this region including sleep diagnostic systems, clinical EEG systems, brain monitoring systems, ultra-sonic blood-flow systems, supplies and technical service and support. The Group sells its ultra-sonic blood-flow systems directly in Germany and all other products are sold via a network of distributors across the territory.

*Major Customers*

The Group does not have any individual customer that contributes 10% or more to Group revenues in the years ended 30 June 2025 or 30 June 2024.

Segment revenues are allocated based on the country in which the customer is located. Segment assets and capital expenditure are allocated based on where the assets are located.

| 2025 | Americas | Australia and Asia Pacific | Europe and the Middle East | Group |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 |
| Revenue | | | | |
| Sales to external customers | 17,635 | 22,435 | 10,759 | 50,829 |
| Intersegment sales | 452 | 8,753 | 659 | 9,864 |
| Other intersegment revenue | 88 | 113 | 1,611 | 1,812 |
| **Total segment revenue** | **18,175** | **31,301** | **13,029** | **62,505** |
| Intersegment elimination | (540) | (8,866) | (2,270) | (11,676) |
| **Total revenue** | **17,635** | **22,435** | **10,759** | **50,829** |
| | | | | |
| **Segment Result** | (3,892) | 6,804 | 208 | 3,120 |
| Depreciation and amortisation | (231) | (1,436) | (579) | (2,246) |
| Net interest expense | (108) | (920) | (257) | (1,285) |
| **Net profit/(loss) before income tax per the Statement of Profit or Loss and Other Comprehensive Income** | **(4,231)** | **4,438** | **(628)** | **(411)** |
| | | | | |
| Segment Assets | 6,060 | 87,636 | 25,947 | 119,643 |
| Intersegment elimination | - | (65,302) | - | (65,302) |
| **Total assets per the Statement of Financial Position** | **6,060** | **22,334** | **25,947** | **54,341** |
| | | | | |
| Acquisition of property plant & equipment | 38 | 139 | 37 | 214 |

Sales within Australia for 2025 were $8.09m

## Notes to the Financial Statements (continued)

### For the year ended 30 June 2025

### 4. Operating Segments (continued)

| 2024 | Americas | Australia and Asia Pacific | Europe and the Middle East | Group |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 |
| Revenue | | | | |
| Sales to external customers | 10,520 | 30,264 | 8,935 | 49,719 |
| Intersegment sales | 409 | 5,519 | 444 | 6,372 |
| Other intersegment revenue | 25 | 52 | 1,212 | 1,289 |
| **Total segment revenue** | **10,954** | **35,835** | **10,591** | **57,380** |
| Intersegment elimination | (434) | (5,571) | (1,656) | (7,661) |
| **Total revenue** | **10,520** | **30,264** | **8,935** | **49,719** |
| **Segment Result** | **(3,014)** | **6,363** | **(642)** | **2,707** |
| Depreciation and amortisation | | | | (1,488) |
| Net interest expense | | | | (739) |
| **Net Profit before income tax per the Statement of Profit or Loss and Other Comprehensive Income** | | | | **408** |
| Segment Assets | 4,638 | 67,273 | 19,930 | 91,814 |
| Intersegment elimination | - | (51,483) | - | (51,483) |
| **Total assets per the Statement of Financial Position** | **4,638** | **15,790** | **19,930** | **40,358** |
| Acquisition of property plant & equipment | 22 | 281 | 72 | 375 |

Sales within Australia for 2024 were $9.15m

### 5. Revenue

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| *Sales revenue* | | |
| Sale of goods | 48,039 | 46,260 |
| Services | 2,790 | 3,459 |
| | **50,829** | **49,719** |

### 6. Other income

| | | |
|---|---|---|
| Other income | **211** | **543** |
| | **211** | **543** |

## Notes to the Financial Statements (continued)

### For the year ended 30 June 2025

### 7. Expenses

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $'000 | $'000 |
| **Profit / (loss) before income tax includes the following specific expenses:** | | |
| *Depreciation* | | |
| Plant and equipment | 493 | 506 |
| Total depreciation | **493** | **506** |
| *Amortisation* | | |
| Intangible assets | 796 | 460 |
| Right-of-use assets | 957 | 604 |
| *Finance costs* | | |
| Interest and finance charges paid/payable | 1,285 | 739 |
| Foreign exchange (gains) and losses (a) | 22 | 178 |
| *Employee benefits* | | |
| Payroll expense including leave payments | 27,007 | 22,811 |
| Superannuation entitlements | 1,205 | 1,125 |
| | **28,212** | **23,936** |
| Research and development expenditure | 1,342 | 4,076 |
| Current receivables – movement in impairment provision | (122) | (15) |
| Inventory – write down: | 75 | (449) |

(a) Foreign exchange gains and losses

Net foreign exchange (gains)/losses of $0.22m (2024: $0.178m) were primarily related to trading transactions.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 8. Income tax expense

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$'000** | **$'000** |
| **(a) Income tax (expense)/benefit** | | |
| Current income tax charge | 742 | (1) |
| Adjustment for prior periods | (570) | 73 |
| Deferred income tax | 685 | 746 |
| Income tax reported in the statement of profit or loss and other comprehensive income | **857** | **818** |
| **(b) Numerical reconciliation of income tax expense/(benefit) to prima facie tax payable** | | |
| Profit / (Loss) before income tax expense as reported in the statement of profit or loss and other comprehensive income | (411) | 480 |
| Tax (expense)/benefit at the Australian tax rate of 30% (2024 – 25%) | (123) | 120 |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | | |
| Non-deductible expenses | 5 | 9 |
| Change in tax rates | (71) | - |
| Prior year adjustments | (570) | 73 |
| Research and development | (317) | 395 |
| Changes in recognised temporary differences | 1,933 | 221 |
| Income tax expense reported in the statement of profit or loss and other comprehensive income | **857** | **818** |
| **(c) Provision for income tax – current** | | |
| Estimated income tax payable | - | - |

The benefit of tax losses will be obtained if:

(i) the Group derives future assessable income of a nature and an amount enough to enable the benefit from the deductions for the loss to be realised,
(ii) the Group continues to comply with the conditions for deductibility imposed by tax legislation, and
(iii) no change in tax legislation adversely affects the Group in realising the benefit from the deductions for the loss.

**(d) Tax consolidation legislation**

Compumedics Limited and its wholly owned Australian controlled entities have elected not to implement the tax consolidation legislation.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 9. Current assets – Cash and cash equivalents

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $'000 | $'000 |
| Cash at bank and on hand | 2,690 | 1,890 |

Included in cash on hand is restricted cash amounting to $0.1m. This relates to security regarding the corporate credit cards used in the US.

**Reconciliation to Statement of Cash Flows**
For the purposes of the statement of cash flow, cash and cash equivalents comprise the following at 30 June

| | | |
|---|---|---|
| Cash at bank and on hand | 2,690 | 1,890 |
| Bank overdrafts (note 16) | (3,721) | (2,159) |
| Balances per Statement of Cash Flows | **(1,031)** | **(269)** |

### 10. Current assets – Trade and other receivables

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $'000 | $'000 |
| Trade receivables | 14,976 | 10,649 |
| Allowance for impairment loss (a) | (100) | (222) |
| | **14,876** | **10,427** |

(a) Movements in the provision for impairment loss were as follows:

| | | |
|---|---|---|
| At 1 July | 222 | 238 |
| Additional provision recognised | - | - |
| Receivables written off during the year as uncollectible | - | 485 |
| Unused amounts reversed | (122) | (500) |
| | **100** | **222** |

The creation and release of the provision for impaired receivables has been included in 'sales and marketing' expenses in profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2025

### 10. Current assets – Trade and other receivables (continued)

**Past due but not impaired**

As of 30 June 2025, trade receivables of $5.512m (2024 - $5.293m) were past due but not impaired. These relate to a number of independent customers and distributors for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Up to 3 months | 3,384 | 3,790 |
| 3 to 6 months | 783 | 470 |
| Over 6 months | 1,345 | 1,033 |
| | **5,512** | **5,293** |

**Fair value and credit risk**

Due to the short-term nature of these non-interest-bearing receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to note 2 for more information on the risk management policy of the Group and the credit quality of the entity's trade receivables.

Due to the industry in which the Group operates, the Group trades with several Australian and overseas distributors who are historically slow payers. The ageing profile of trade receivables is closely monitored, and significantly aged balances and doubtful accounts are provided against.

### 11. Current assets - Inventories

The provision for stock obsolescence was decreased during the year ended 30 June 2025 by $0.075m as a result of the Group recognising provision against specific inventory items. These activities have led the Group to adjust the provision for stock obsolescence to reflect the recoverable value of the inventory on hand at 30 June 2025.

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Raw materials and stores (at cost) | 5,795 | 6,402 |
| Work in progress (at cost) | 671 | 614 |
| Finished goods (at net realisable value) | 9,918 | 7,848 |
| Provision for obsolescence | (1,728) | (1,653) |
| **Total inventories at the lower of cost and net realisable value** | **14,656** | **13,211** |

**(a) Inventory expense**

Inventories recognised as an expense during the year ended 30 June 2025 amounted to $21,519,008 (2024: $19,552,750).

## Notes to the Financial Statements (continued)

For the year ended 30 June 2025

### 12. Current assets - Other Assets

Other assets comprise other receivables and prepayments, which are expected to be recovered within twelve months:

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Other receivables and prepayments | 2,994 | 712 |
| | **2,994** | **712** |

### 13. Non-current assets - Property, plant and equipment

| Consolidated | Plant and Equipment At Cost | Office Equipment At Cost | Motor Vehicle | Leasehold Improvements | Plant and Equipment Leased | Office Equipment Leased | Total |
|---|---|---|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Year ended 30 June 2024** | | | | | | | |
| Opening net book amount | 537 | 270 | - | 454 | 320 | - | 1,581 |
| Additions | 46 | 89 | - | 58 | 182 | - | 375 |
| Exchange differences | (3) | (2) | - | - | - | - | (5) |
| Disposals | (7) | (51) | - | - | - | - | (58) |
| Depreciation/amortisation expense | (182) | (119) | - | (79) | (126) | - | (506) |
| **At 30 June 2024** | 391 | 187 | - | 433 | 376 | - | 1,387 |
| **At 30 June 2024** | | | | | | | |
| Cost or fair value | 2,821 | 5,967 | 228 | 1,132 | 1,006 | 592 | 11,746 |
| Accumulated depreciation | (2,430) | (5,780) | (228) | (699) | (630) | (592) | (10,359) |
| **Net carrying amount** | 391 | 187 | - | 433 | 376 | - | 1,387 |
| **Year ended 30 June 2025** | | | | | | | |
| Opening net book amount | 391 | 187 | - | 433 | 376 | - | 1,387 |
| Additions | 171 | 31 | - | 7 | 5 | - | 214 |
| Exchange differences | 18 | 7 | - | - | - | - | 25 |
| Disposals | - | (3) | - | (56) | - | - | (59) |
| Depreciation/amortisation expense | (146) | (114) | - | (80) | (118) | - | (458) |
| **At 30 June 2025** | 434 | 108 | - | 304 | 263 | - | 1,109 |
| **At 30 June 2025** | | | | | | | |
| Cost or fair value | 2,991 | 5,994 | 228 | 1,083 | 1,011 | 592 | 11,899 |
| Accumulated depreciation | (2,557) | (5,886) | (228) | (779) | (748) | (592) | (10,790) |
| **Net carrying amount** | 434 | 108 | - | 304 | 263 | - | 1,109 |
| **Useful life (years)** | 6 | 3 | 3 | - | 6 | 3 | |

### (a) Property, plant and equipment pledged as security for liabilities

Refer to note 16 for information on non-current assets pledged as security.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2025

### 14. Non-current assets - Intangible assets

| Consolidated | Development costs | Total |
|---|---|---|
| | $'000 | $'000 |
| **Year ended 30 June 2024** | | |
| At 1 July 2023 | 6,242 | 6,242 |
| Additions | 2,720 | 2,720 |
| Reversal of impairment charge | 1,666 | 1,666 |
| Amortisation charge** | (460) | (460) |
| Exchange difference | (9) | (9) |
| **At 30 June 2024** | **10,159** | **10,159** |
| **At 30 June 2024** | | |
| Cost* | 22,294 | 22,294 |
| Accumulated amortisation and impairment | (12,135) | (12,135) |
| **Net carrying amount** | **10,159** | **10,159** |
| **Year ended 30 June 2025** | | |
| At 1 July 2024 | 10,159 | 10,159 |
| Additions | 7,138 | 7,138 |
| Amortisation charge** | (796) | (796) |
| Exchange difference | 86 | 86 |
| **At 30 June 2025** | **16,587** | **16,587** |
| **At 30 June 2025** | | |
| Cost* | 29,776 | 29,776 |
| Accumulated amortisation and impairment | (13,189) | (13,189) |
| **Net carrying amount** | **16,587** | **16,587** |

* Relates to capitalised development costs being an internally generated intangible asset and capitalised licence fees
** Amortisation charged is included in depreciation and amortisation expense in profit or loss. The remaining balance of the intangible asset relates the Somfit and MEG product to be amortised over 20 years from first sale and the DWL products.

### 15. Current liabilities - Trade and other payables

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Trade payables | 8,637 | 4,372 |
| Other payables | 2,973 | 3,331 |
| | **11,610** | **7,703** |

#### (a) Foreign currency risk

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 2.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 16. Current Liabilities - Borrowings

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| **Secured** | | |
| Bank overdraft | 3,721 | 2,159 |
| Fixed term loan | 3,637 | 4,818 |
| Working capital facilities | 5,808 | - |
| **Total Current Borrowings** | **13,166** | **6,977** |

**Bank and Other Funding Facilities**

Bank of Melbourne Facilities:

- Overdraft: Facility limit of $3.5 million. At 30 June 2025, $3.3 million was drawn.
- SME Pandemic Recovery Scheme Loan: Balance of $3.6 million at 30 June 2025 (30 June 2024: $4.4 million). The loan is repayable over approximately seven years.
- Working Capital Facilities:
    - Facility 1: Limit of $2.0 million, drawn to $1.5 million at 30 June 2025.
    - Facility 2 (supporting MEG builds): Limit of $4.5 million, drawn to $4.3 million at 30 June 2025.

The Group also maintains transactional banking facilities and credit cards with the Bank of Melbourne.

These facilities are subject to compliance with three financial ratio covenants:

1. Capital Ratio: At 30 June 2025, the Group was not compliant.
2. Financial Debt to EBITDA: At 30 June 2025, the Group was not compliant.
3. Debt Service Cover Ratio: At 30 June 2025, the Group was not compliant.

The Bank has taken no action regarding the non-compliance but retains the right to do so.

International Facilities:

- Sparkasse Bank (Germany): EUR0.35 million secured overdraft facility. At 30 June 2025, EUR0.26 million (AUD0.47 million) was drawn.

**(a) Risk exposures**

Details of the Group's exposure to fair value interest rate risk arising from current borrowings is set out in note 2.

**(b) Fair value disclosures**

No borrowings are readily traded on organised markets.
The carrying amounts of all borrowings are not materially different to their fair values at reporting date.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 16. Current Liabilities – Borrowings (continued)

#### (c) Assets pledged as security and not derecognised in the Statement of Financial Position

The total secured liabilities are as follows:

| | Consolidated 2025 $'000 | Consolidated 2024 $'000 |
|---|---|---|
| Bank overdraft | 3,721 | 2,159 |
| Fixed term loan | 3,637 | 4,617 |
| Working capital facilities | 5,808 | - |
| German COVID-19 loan | - | 201 |
| | **13,166** | **6,977** |

Security is held against the following subsidiaries: Compumedics Telemed Pty Ltd, Compumedics Cardiology Pty Ltd and Compumedics Medical Innovation Pty Ltd.

Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

The carrying amounts of assets pledged as security for current borrowings are:

| | | Consolidated 2025 $'000 | Consolidated 2024 $'000 |
|---|---|---|---|
| **Current** | | | |
| *Floating charge* | | | |
| Cash and cash equivalents | 9 | 2,690 | 1,890 |
| Receivables | 10 | 14,876 | 10,427 |
| Inventories | 11 | 14,656 | 13,211 |
| Total current assets pledged as security | | **32,222** | **25,528** |
| **Non-current** | | | |
| *Floating charge* | | | |
| Property, plant and equipment | 12 | 1,109 | 1,387 |
| Total non-current assets pledged as security | | **1,109** | **1,387** |
| Total assets pledged as security | | **33,331** | **26,915** |

#### (d) Forward exchange contracts

As at 30 June 2025 and 30 June 2024 there were no outstanding forward exchange contracts.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 16. Current Liabilities – Borrowings (continued)

#### (e) Financing arrangements

Access was available at reporting date to the following lines of credit:

| | Consolidated | |
|---|---|---|
| | **2025 $'000** | **2024 $'000** |
| **Credit standby arrangements** | | |
| Total facility | | |
| Bank Overdraft | 3,500 | 2,000 |
| Fixed term loan | 3,637 | 4,792 |
| Overdraft – DWL | 627 | 565 |
| Working Capital | 2,000 | - |
| Working Capital – MEG | 4,500 | - |
| German COVID-19 loan | - | 201 |
| | **14,264** | **7,558** |
| Used at reporting date | | |
| Bank Overdraft | 3,254 | 1,782 |
| Fixed term loan | 3,637 | 4,617 |
| Overdraft – DWL | 468 | 377 |
| Working Capital | 1,510 | - |
| Working Capital – MEG | 4,297 | - |
| German COVID-19 loan | - | 201 |
| | **13,166** | **6,977** |
| Unused at reporting date | | |
| Bank Overdraft | 246 | 218 |
| Fixed term loan | - | 175 |
| Overdraft - DWL | 159 | 188 |
| Working Capital | 490 | - |
| Working Capital – MEG | 203 | - |
| | **1,098** | **581** |
| Loan / funding facilities | | |
| Total facilities | 14,264 | 7,558 |
| Used at reporting date | (13,166) | (6,977) |
| Unused at reporting date | **1,098** | **581** |

The Group had funding facilities totalling $14.3 million on 30 June 2025.

#### (f) Derivative instruments

Compumedics Limited and certain of its controlled entities may be party to derivative financial instruments in the normal course of business to hedge exposure to fluctuations in foreign exchange rates. At reporting date there were no outstanding derivative financial instruments in place.

## 17. Current liabilities – Employee benefits

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Annual leave and other employee benefits | 2,757 | 2,340 |
| Long service leave | 1,525 | 1,592 |
| | **4,282** | **3,932** |

**Movements in employee benefits**
Movements during the financial year are set out below:

| | Employee benefits $'000 |
|---|---|
| **Current** | |
| Carrying amount at start of year | 3,932 |
| Charged/(credited) to profit or loss | |
| - additional provisions recognised | 350 |
| - unused amounts reversed | - |
| **Carrying amount at end of year** | **4,282** |

## 18. Current liabilities - Provisions

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Service warranties | 548 | 527 |
| | **548** | **527** |

**Service warranties**
Provision is made for the estimated warranty claims in respect of products sold which are still under warranty at reporting date. These claims are expected to be settled in the next financial year, but this may be extended into the following year if claims are made late in the warranty period and are subject to confirmation by suppliers that component parts are defective.

Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

**Movements in provisions**
Movements during the financial year are set out below:

| | Service warranties $'000 |
|---|---|
| **Current** | |
| Carrying amount at start of year | 527 |
| Charged/(credited) to profit or loss | |
| - additional provisions recognised | 21 |
| - unused amounts reversed | - |
| **Carrying amount at end of year** | **548** |

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 19. Current liabilities - Contract liabilities

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| **Current** | | |
| Deferred income | 1,529 | 1,338 |

Deferred income relates to service contracts yet to be performed and post-sale installation and training obligations yet to be completed pursuant to the Group's accounting policies as detailed in Note 1 Material accounting policy information, (e) Revenue recognition and Note 3 Critical accounting estimates and judgements, (i) Deferred Revenues.

### 20. Non-current liabilities – Employee benefits

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Long service leave | 33 | 36 |

### 21. Non-current liabilities - Contract liabilities

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Deferred income | 237 | 34 |

Deferred income relates to service contracts yet to be performed and post-sale installation and training obligations yet to be completed pursuant to the Group's accounting policies as detailed in Note 1 Material accounting policy information, (e) Revenue recognition and Note 3 Critical accounting estimates and judgements, (i) Deferred Revenues.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 22. Contributed equity

| | Consolidated | | Consolidated | |
|---|---|---|---|---|
| | 2025 Shares | 2024 Shares | 2025 $'000 | 2024 $'000 |
| **(a) Share capital** | | | | |
| Ordinary shares | | | | |
| Fully paid | 192,217,894 | 177,162,948 | 39,446 | 35,654 |

**(b) Movements in ordinary share capital:**

| Date | Details | Number of shares | Issue price | $'000 |
|---|---|---|---|---|
| 30 June 2023 | Balance | 177,162,948 | | 35,654 |
| | No new issues | - | - | - |
| 30 June 2024 | Balance | 177,162,948 | | 35,654 |
| 12 July 2024 | New shares issued | 6,607,143 | $0.28 | 1,850 |
| 19 November 2024 | New shares issued | 178,572 | $0.28 | 50 |
| 11 December 2024 | New shares issued | 8,269,231 | $0.26 | 2,150 |
| | Less: Capital raising costs | | | (258) |
| 30 June 2025 | Balance | 192,217,894 | | 39,446 |

**(c) Ordinary shares**

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

The ordinary shares have no par value.

**(d) Other equity securities**

There are no other equity securities issued at this time.

**(e) Capital management**

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity. Management will periodically adjust the capital structure of the Group to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may pay a dividend to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Management currently has no plans to pay a dividend and has not done so in the prior year. This policy will be reviewed at least annually against known and anticipated operational outcomes.

Management may consider the issue of further shares on the market in the foreseeable future.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 22. Contributed equity (continued)

### (e) Capital management (continued)

| | Consolidated | |
|---|---|---|
| | **2025 $'000** | **2024 $'000** |
| **Total borrowings** | **13,166** | **6,977** |
| Less cash and cash equivalents | (2,690) | (1,890) |
| Net cash / (debt) | (10,476) | (5,087) |
| **Total equity** | **21,708** | **18,210** |
| **Total funding** | **11,232** | **13,123** |
| **Gearing ratio** | **60.7%** | **38.3%** |

### 23. Reserves and accumulated losses

| | Consolidated | |
|---|---|---|
| | **2025 $'000** | **2024 $'000** |
| **(a) Reserves** | | |
| Foreign currency translation reserve | 842 | (132) |
| | **842** | **(132)** |
| **(b) Accumulated losses** | | |
| Movements in accumulated losses were as follows: | | |
| Balance 1 July | (17,312) | (17,791) |
| Net profit / (loss) for the year | (1,268) | (338) |
| Conversion of losses to equity in Compumedics France SAS | - | 817 |
| Balance 30 June | **(18,580)** | **(17,312)** |

**(c) Other Reserves**

| | **Consolidated Foreign currency translations $'000** |
|---|---|
| Balance as at 30 June 2023 | **428** |
| Exchange difference on translation of foreign operation | (560) |
| Balance as at 30 June 2024 | **(132)** |
| Exchange difference on translation of foreign operation | 974 |
| Balance as at 30 June 2025 | **842** |

**Foreign currency translation reserve**

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve, as described in note 1(d). The reserve is recognised in profit or loss when the net investment is disposed of.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 24. Dividends

**Ordinary shares**

The directors have not declared a dividend in the current financial year (2024: Nil).

### 25. Key management personnel disclosures

**(a) Directors**

The following persons were directors of Compumedics Limited during the financial year:

*(i)* *Chairman and Chief Executive Officer*
Dr David Burton

*(ii)* *Executive Director and Chief Financial Officer*
Mr David Lawson

*(iii)* *Non-executive director*
Mr. Rod North

**(b) Other key management personnel**

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the financial year:

| ***Name*** | ***Position*** | ***Employer*** |
|---|---|---|
| Warwick Freeman^ | Chief Technology Officer | Compumedics Limited |
| Christoph Witte^ | Managing Director, DWL | Compumedics Germany GmbH |

^ The above persons were also key management persons during the year ended 30 June 2024

**(c) Key management personnel compensation**

| | **Consolidated** | |
|---|---|---|
| | **2025 $'000** | **2024 $'000** |
| Short-term employee benefits | 1,153,756 | 1,270,429 |
| Post-employment benefits | 95,473 | 114,122 |
| Long-term benefits | 18,348 | 11,291 |
| Share-based payments | - | - |
| | **1,267,577** | **1,395,842** |

**(d) Equity instrument disclosures relating to key management personnel**

*(i)* *Option holdings*
There were no options provided as remuneration during the current or prior year. No options over ordinary shares were held by KMP's on 30 June 2025 and 30 June 2024.

*(ii)* *Share holdings*
The numbers of shares in the Company held during the financial year by each director of Compumedics Limited and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 25. Key management personnel disclosures (continued)

| Name | Balance at the start of the year | Received during the year on the exercise of options | Other changes during the year | Balance at the end of the year |
|---|---|---|---|---|
| **2024** | | | | |
| ***Directors of Compumedics Limited*** | | | | |
| **Ordinary shares** | | | | |
| David Burton and/or associated entities | 98,044,319 | - | - | 98,044,319 |
| David Lawson | 3,470,724 | - | - | 3,470,724 |
| Rod North | 2,000 | - | - | 2,000 |
| ***Other key management personnel of the Group*** | | | | |
| **Ordinary shares** | | | | |
| Warwick Freeman | 82,000 | - | - | 82,000 |
| Christoph Witte | - | - | - | - |
| **2025** | | | | |
| ***Directors of Compumedics Limited*** | | | | |
| **Ordinary shares** | | | | |
| David Burton and/or associated entities | 98,044,319 | - | 178,572 | 98,222,891 |
| David Lawson | 3,470,724 | - | - | 3,470,724 |
| Rod North | 2,000 | - | - | 2,000 |
| ***Other key management personnel of the Group*** | | | | |
| **Ordinary shares** | | | | |
| Warwick Freeman | 82,000 | - | - | 82,000 |
| Christoph Witte | - | - | - | - |

#### (e) Other transactions with key management personnel

David Burton is a Director and shareholder of Intellirad Solutions Pty Ltd. Where expenses have been paid by Compumedics on behalf of Intellirad Solutions Pty Ltd, these have been reimbursed in full. Compumedics paid for no expenses relating to Intellirad during the year ended 30 June 2025 (2024: NIL).

David Burton is a director of D & DJ Burton Holding Pty Ltd.

### 26. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its network firms and unrelated firms:

| | Consolidated 2025 $'000 | Consolidated 2024 $'000 |
|---|---|---|
| **(a) Audit services** | | |
| Nexia Melbourne Audit Pty Ltd, | | |
| Audit or review of financial statements | 228,150 | 215,250 |
| Total remuneration for audit services | **228,150** | **215,250** |
| **(b) Non-audit services** | | |
| *Taxation services* | | |
| Tax compliance services | 62,000 | 62,000 |
| Total remuneration for taxation services | **62,000** | **62,000** |
| | **290,150** | **277,250** |

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 27. Contingencies

#### (a) Contingent liabilities

The consolidated entity had no contingent liabilities at 30 June 2025 (2024: None).

#### (b) Contingent assets

The consolidated entity had no contingent assets at 30 June 2025 (2024: None).

### 28. Leases

**The Group as a lessee**

The Group has leases over a range of assets including land and buildings, plant and equipment and motor vehicles.

The Group has chosen not to apply AASB 16 to leases of intangible assets.

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The building leases are for the corporate office and warehouse in Melbourne, Australia and corporate offices in Charlotte NC, USA, Singen, Freiburg and Hamburg, Germany and Seoul, South Korea. The leases have all been renewed for varying lease terms out to 36 months, the Melbourne lease has an option which is equal to current lease term of 36 months. The Group may seek to extend these leases, or exercise its option, where it believes this to be in the best interests of the Group. The rentals are subject to an annual CPI increase.

The equipment leases are for various items of plant and equipment and motor vehicles.

**Right-of-Use Assets**

| | Buildings $'000 | Office Equipment and Motor Vehicles $'000 | Total $'000 |
|---|---|---|---|
| **Year ended 30 June 2024** | | | |
| Balance at 1 July 2023 | 2,037 | - | 2,037 |
| Additions | 107 | - | 107 |
| Amortisation charge | (593) | (11) | (604) |
| Exchange differences | (7) | 33 | 26 |
| **Balance at 30 June 2024** | **1,544** | **22** | **1,566** |
| **Year ended 30 June 2025** | | | |
| Balance at 1 July 2024 | 1,544 | 22 | 1,566 |
| Additions | - | - | - |
| Amortisation charge | (748) | (200) | (948) |
| Remeasurement | (185) | 184 | (1) |
| Exchange differences | 63 | (6) | 57 |
| **Balance at 30 June 2025** | **674** | **-** | **674** |

## Notes to the Financial Statements (continued)

For the year ended 30 June 2025

### 28. Leases (continued)

**Lease Liabilities**

| | Less than 1 year $'000 | 1 to 5 years $'000 | More than 5 years $'000 | Total undiscounted lease liabilities $'000 | Lease liabilities included in this Consolidated Statement of Financial Position $'000 |
|---|---|---|---|---|---|
| **Year ended 30 June 2024** | | | | | |
| Lease liabilities | 843 | 995 | - | 1,838 | 1,601 |
| **Year ended 30 June 2025** | | | | | |
| Lease liabilities | 582 | 375 | - | 957 | 713 |

**Extension Options**

The Group may include options in the leases to provide flexibility and certainty to the Group operations and reduce costs of moving premises. Currently the Group has no extension options on its building leases.

**Consolidated Statement of Profit and Loss and Other Income**

The amounts recognised in the consolidated statement of profit or loss and other comprehensive income relating to leases where the Group is a lessee are shown below:

| | Consolidated 2025 $'000 | Consolidated 2024 $'000 |
|---|---|---|
| Expenses relating to leases of low value assets or short term leases | - | - |
| Amortisation of right-of-use assets | 948 | 604 |
| Lease interest | 119 | 80 |
| **Total** | **1,067** | **684** |

**Consolidated Statement of Cash Flows**

| | Consolidated 2025 $'000 | Consolidated 2024 $'000 |
|---|---|---|
| Total cash outflow for leases | 887 | 544 |

## Notes to the Financial Statements (continued)

### For the year ended 30 June 2025

### 29. Commitments

No commitments as at 30 June 2025 (2024: None)

### 30. Share-based payments

**Employee Option Plan**
The Group did not have any share-based payments in the full year ended 30 June 2025 (2024: None).

### 31. Related party transactions

#### (a) Parent entity

The ultimate parent entity in the wholly owned group is Compumedics Limited.

#### (b) Subsidiaries

Interests in subsidiaries are set out in note 33.

#### (c) Key management personnel

Disclosures relating to key management personnel are set out in note 25.

#### (d) Transactions with related parties

Transactions between Compumedics Limited and related entities during the years ended 30 June 2025 and 2024 consisted of:

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Licence fee for a non-exclusive licence for certain intellectual property (the Licenced Rights) to D & DJ Burton Holdings Pty Ltd, an entity related to David Burton | 442,833 | 441,277 |
| Fees paid to Bourse Communications Pty Ltd, an entity related to Rod North | 68,054 | 69,357 |

#### (e) Loans to/from related parties

There were no loans outstanding to or from related parties during the year ended 30 June 2025.

#### (f) Guarantees

No guarantees have been given or received from related parties.

#### (g) Terms and conditions

All transactions between related parties were made on normal commercial terms and conditions and at market rates.

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 32. Parent Entity Information

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| Information relating to Compumedics Limited: | | |
| Current assets | 16,660 | 13,985 |
| Total assets | 85,517 | 67,140 |
| Current liabilities | 24,224 | 16,112 |
| Total liabilities | 24,604 | 16,242 |
| | | |
| Contributed equity | 39,446 | 35,652 |
| Reserves | 6,921 | 5,475 |
| Retained earnings | 14,546 | 9,771 |
| Total shareholders' equity | **60,913** | **50,898** |
| | | |
| Profit of the parent entity | 4,775 | 3,680 |
| Total comprehensive income of the parent entity | 6,221 | 3,561 |

**Guarantees**

The facilities provided by the Bank of Melbourne are secured by a Corporate Guarantee and Indemnity unlimited as to amount and a Mortgage Debenture secure the working capital facilities over all the assets and undertaking of the parent entity, Compumedics Limited and its subsidiaries. Further details are in Note 16.

**Contingent Liabilities**

The parent entity had no contingent liabilities at 30 June 2025 (2024: None).

**Contractual Commitments**

The parent entity has no contractual commitments at 30 June 2025 (2024: None).

### 33. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

| | Country of incorporation | Class of shares | Equity holding 2025 % | Equity holding 2024 % |
|---|---|---|---|---|
| Compumedics Telemed Pty Ltd | Australia | Ordinary | 100 | 100 |
| Compumedics Medical Innovation Pty Ltd | Australia | Ordinary | 92 | 92 |
| Compumedics Cardiology Pty Ltd | Australia | Ordinary | 100 | 100 |
| Compumedics USA Inc. | USA | Ordinary | 100 | 100 |
| Compumedics Singapore Pte Ltd | Singapore | Ordinary | 100 | 100 |
| Compumedics USA Ltd (formerly Neuroscan Ltd) | USA | Ordinary | 100 | 100 |
| Compumedics Germany GmbH | Germany | Ordinary | 100 | 100 |
| Cardio Sleep Services Inc. | USA | Ordinary | 100 | 100 |
| Compumedics France SAS | France | Ordinary | 100 | 100 |
| DWL USA Inc. | USA | Ordinary | 100 | 100 |
| Compumedics Europe GmbH | Germany | Ordinary | 100 | 100 |
| Compumedics Korea Co. Ltd. | South Korea | Ordinary | 100 | 100 |

## Notes to the Financial Statements (continued)

For the year ended 30 June 2025

### 34. Events occurring after the reporting date

The Directors are not aware of any other matters after the end of the financial year that would have a material impact on the financial performance of the Group.

### 35. Reconciliation of profit after income tax to net cash inflow from operating activities

| | Consolidated | |
|---|---|---|
| | 2025 $'000 | 2024 $'000 |
| Profit / (loss) for the year | (1,268) | (338) |
| Amortisation | 1,754 | 1,063 |
| Reversal of asset impairment | - | (1,666) |
| Depreciation | 493 | 507 |
| Net exchange differences | 2,106 | 172 |
| Change in operating assets and liabilities | | |
| (Increase) decrease in trade and other receivables | (4,449) | 2,107 |
| (Increase) decrease in other assets | (2,282) | 1,714 |
| (Increase) decrease in inventories | (1,445) | (2,522) |
| (Increase) decrease in deferred tax assets | 354 | 745 |
| Increase (decrease) in trade and other payables | 3,907 | 1,378 |
| Increase (decrease) in deferred revenues | 394 | (1,397) |
| Increase / (Decrease) in income tax payable | 184 | (12) |
| Increase / (Decrease) in employee benefits | 347 | 194 |
| Increase / (Decrease) in other provisions | 21 | 56 |
| Increase / (Decrease) in deferred tax liabilities | 331 | - |
| Net cash inflow from operating activities | **447** | **2,001** |

## Notes to the Financial Statements (continued)

**For the year ended 30 June 2025**

### 36. Profit / (Loss) per share

| | Consolidated 2025 Cents | Consolidated 2024 Cents |
|---|---|---|
| **(a) Basic profit / (loss) per share –cents per share** | | |
| Profit/(Loss) attributable to the ordinary equity holders of the Company | (0.7) | (0.2) |
| **(b) Diluted profit / (loss) per share** | | |
| Profit/(Loss) attributable to the ordinary equity holders of the Company | (0.7) | (0.2) |

**(c) Reconciliations of profit/(loss) used in calculating earnings per share**

| | Consolidated 2025 $'000 | Consolidated 2024 $'000 |
|---|---|---|
| *Basic profit / (loss) per share* | | |
| Profit / (loss) | (1,268) | (338) |
| *Diluted profit / (loss) per share* | | |
| Profit / (loss) attributable to the ordinary equity holders of the Company used in calculating diluted profit/ (loss) per share | (1,268) | (338) |
| Profit / (loss) attributable to the ordinary equity holders of the Company used in calculating diluted profit/ (loss) per share | (1,268) | (338) |

**(d) Weighted average number of shares used as the denominator**

| | Consolidated 2025 Number | Consolidated 2024 Number |
|---|---|---|
| *Weighted average number of ordinary shares used as the denominator in calculating basic profit/(loss) per share* | 188,256,957 | 177,162,948 |
| *Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted profit/(loss) per share* | 188,256,957 | 177,162,948 |

**(e) Information concerning the classification of securities**

There are no other outstanding options or other instruments convertible into ordinary shares of the Company at the date of this report.

# Consolidated entity disclosure statement

**As at 30 June 2025**

| Name of entity* | Type of entity | Trustee, partner or participant in joint venture** | % of share capital held | Country of Incorporation | Australian resident or foreign resident*** | Foreign tax jurisdiction(s) of foreign residents |
|---|---|---|---|---|---|---|
| Compumedics Limited | Body Corporate | N/A | N/A | Australia | Australian | N/A |
| Compumedics Telemed Pty Ltd | Body Corporate | N/A | 100% | Australia | Australian | N/A |
| Compumedics Medical Innovation Pty Ltd | Body Corporate | N/A | 92% | Australia | Australian | N/A |
| Compumedics Cardiology Pty Ltd | Body Corporate | N/A | 100% | Australia | Australian | N/A |
| Compumedics USA Inc. | Body Corporate | N/A | 100% | USA | Foreign | USA |
| Compumedics Singapore Pte Ltd | Body Corporate | N/A | 100% | Singapore | Foreign | Singapore |
| Compumedics USA Ltd | Body Corporate | N/A | 100% | USA | Foreign | USA |
| Compumedics Germany GmbH | Body Corporate | N/A | 100% | Germany | Foreign | Germany |
| Cardio Sleep Services Inc. | Body Corporate | N/A | 100% | USA | Foreign | USA |
| Compumedics France SAS | Body Corporate | N/A | 100% | France | Foreign | France |
| DWL USA Inc. | Body Corporate | N/A | 100% | USA | Foreign | USA |
| Compumedics Europe GmbH | Body Corporate | N/A | 100% | Germany | Foreign | Germany |
| Compumedics Korea Co. Ltd. | Body Corporate | N/A | 100% | South Korea | Foreign | South Korea |

* Entities listed here are those that are part of the consolidated entity at the end of the financial year. Entities disposed of during the year, or where the entity has lost control by the reporting date, are not included here. This means that entities listed could be different to the ‘Interests in subsidiaries’ note contained in the notes to the financial statements.

** This means whether, at that time, the entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

*** The definitions of ‘Australian resident’ and ‘foreign resident’ in the ITAA 1997 are mutually exclusive. This means if an entity is an ‘Australian resident’ it cannot be a ‘foreign resident’ for the purposes of the public company disclosures in the consolidated entity disclosure statement.

**Consolidated entity disclosure statement (continued)**

**Basis of Preparation**
This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

**Determination of Tax Residency**
Section 295 (3A) of the Corporation Acts 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. It should be noted that the definitions of 'Australian resident' and 'foreign resident' in the Income Tax Assessment Act 1997 are mutually exclusive. This means that if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of disclosure in the CEDS.

In determining tax residency, the consolidated entity has applied the following interpretations:

***Australian tax residency***
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

***Foreign tax residency***
Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

# Directors' Declaration

In the opinion of the directors:

(a) the financial statements and notes set out on pages 17 to 64 are in accordance with the Corporations Act 2001, including:

  (i) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

  (ii) giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2025 and of their performance for the financial year ended on that date; and

  (iii) complying with the International Financial Reporting Standards as disclosed in note 1, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(c) the information disclosed in the attached Consolidated Entity Disclosure Statement is true and correct.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the directors.

David Burton
Director

Melbourne
30th September 2025

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# Independent Auditor's Report to the Members of Compumedics Limited

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Compumedics Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our opinion, there are no key audit matters to communicate.

### Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial (other than the consolidated entity disclosure statement) report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 12 of the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Compumedics Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Nexia

**Nexia Melbourne Audit Pty Ltd**
Melbourne

**Chapman Wan**
Director

Date this 30th day of September 2025

Additional information required by Australian Stock Exchange Listing Rules and not disclosed elsewhere in this Annual Report; the information presented is at 17 September 2025.

## A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

| | | Class of equity security | | | | | |
|---|---|---|---|---|---|---|---|
| | | Number of holders | Number held | Options | Number held | Redeemable Convertible notes | Number held |
| 1 | to 1000 | 218 | 117,418 | - | - | - | - |
| 1,001 | to 5,000 | 690 | 1,956,642 | - | - | - | - |
| 5,001 | to 10,000 | 332 | 2,696,943 | - | - | - | - |
| 10,000 | to 100,000 | 520 | 18,500,221 | - | - | - | - |
| 100,001 | and over | 121 | 168,946,670 | - | - | - | - |
| | | 1,881 | 192,217,894 | **-** | **-** | **-** | **-** |

There were 373 holders of less than a marketable parcel of ordinary shares and they hold 326,742 ordinary shares.

## B. Equity security holders

*Twenty largest quoted equity security holders*
The names of the twenty largest holders of quoted equity securities are listed below:

| Position | Holder Name | Holding | % IC |
|---|---|---|---|
| 1 | D & DJ BURTON HOLDINGS PTY LTD | 96,002,819 | 49.94% |
| 2 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 11,569,649 | 6.02% |
| 3 | B & R JAMES INVESTMENTS PTY LIMITED <JAMES SUPERANNUATION A/C> | 5,000,000 | 2.60% |
| 4 | BEIJING BESTMED TECH LTD | 4,901,961 | 2.55% |
| 5 | MEDIGAS ITALIA S R L | 4,333,333 | 2.25% |
| 6 | MR DAVID FRANCIS LAWSON & MS MICHELLE GABRIELLE CALLINAN <LAWSON CALLINAN SUPER A/C> | 2,464,482 | 1.28% |
| 7 | ELECTRO MOLECULAR PTY LTD | 2,220,072 | 1.15% |
| 8 | VALUI PTY LTD <FORTIS SUPER FUND A/C> | 1,920,987 | 1.00% |
| 9 | BNP PARIBAS NOMS (NZ) LTD | 1,606,224 | 0.84% |
| 10 | MS KARIN JONES | 1,489,492 | 0.77% |
| 11 | MR MARK DAVID HOLDER | 1,230,000 | 0.64% |
| 12 | KNOWLER PROPERTY PTY LTD | 1,198,000 | 0.62% |
| 13 | JARVSOFAKS PTY LTD <DE LISIO SUPER FUND A/C> | 1,168,373 | 0.61% |
| 14 | MR BERNARD FREDERICK KNOWLER & MRS ROBYNNE LYNETTE KNOWLER <KNOWLER FAMILY A/C> | 1,120,000 | 0.58% |
| 15 | AVIANTO PTY LTD <HOCK SOO MEE SUPER A/C> | 1,079,975 | 0.56% |
| 16 | MR NIGEL STRONG | 1,008,786 | 0.52% |
| 17 | MR DAVID FRANCIS LAWSON | 1,006,242 | 0.52% |
| 18 | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 913,989 | 0.48% |
| 19 | BFA SUPER PTY LTD <GDN SUPER FUND A/C> | 778,188 | 0.40% |
| 20 | COWAN GRANT PTY LTD <THE COWAN GRANT A/C> | 768,000 | 0.40% |
| | **Total** | **141,780,572** | **73.76%** |
| | **Total issued capital - selected security class(es)** | **192,217,894** | **100.00%** |

| *Unquoted equity securities* | | |
|---|---|---|
| There are no unquoted equity securities on issue | - | - |

## C. Substantial holders

Substantial holders in the Company are set out below:

| | Number held | Percentage |
|---|---|---|
| Ordinary shares | | |
| D & DJ Burton Holdings Pty Ltd and Electro Molecular Pty Ltd* | 98,222,891 | 51.10 |

* Electro Molecular Pty Ltd is owned by David Burton, who is also a shareholder of D & DJ Burton Holdings Pty Ltd

## D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

(a) Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Convertible redeemable notes
No voting rights.

(c) Options
No voting rights.

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