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ANNUAL GENERAL MEETING

NOVEMBER 2019



- > SLEEP DIAGNOSTICS & TREATMENT
- > NEURO DIAGNOSTICS
- > BRAIN RESEARCH
- > ULTRASONIC BLOOD FLOW MONITORING
- > MEDICAL INNOVATIONS



AGM Agenda

Meeting Opens

Ordinary Business

Chairman's Address

Meeting Closes

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Ordinary Business

Item 1 Financial Statements and Reports

Item 2 Election of a Director – David Lawson

Item 3 Adoption of Remuneration Report (non-binding resolution)

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Who is Compumedics?

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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])
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A technological leader in its chosen markets:

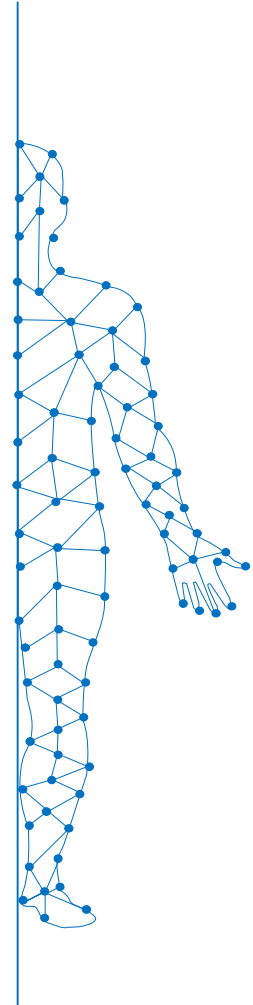
#1 Australian sleep & neuro diagnostics device supplier	#1 Japan sleep diagnostics device supplier	#1 China sleep diagnostic device supplier to premier facilities & #1 TCD device supplier	#3 USA sleep diagnostic device supplier and emerging #3 supplier for neurological monitoring devices
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— FY19 revenues up 12% to \$41.5m, FY19 EBITDA up 40% to \$5.9m.

— FY20 Guidance revenues \$42m to \$44m, EBITDA \$6.5m to \$7.5m.

— 130 employees across seven locations, Melbourne, Australia (Head Office), Charlotte, NC, USA, Hamburg, Dresden and Singen, Germany, Paris, France and Daejeon, South Korea.

— Compumedics listed ASX Dec 21, 2000. CMP has market capital of around \$120m.



FY2019 – Performance Review

- Revenue \$41.5m, EBITDA \$5.9m, NPAT \$4.0m

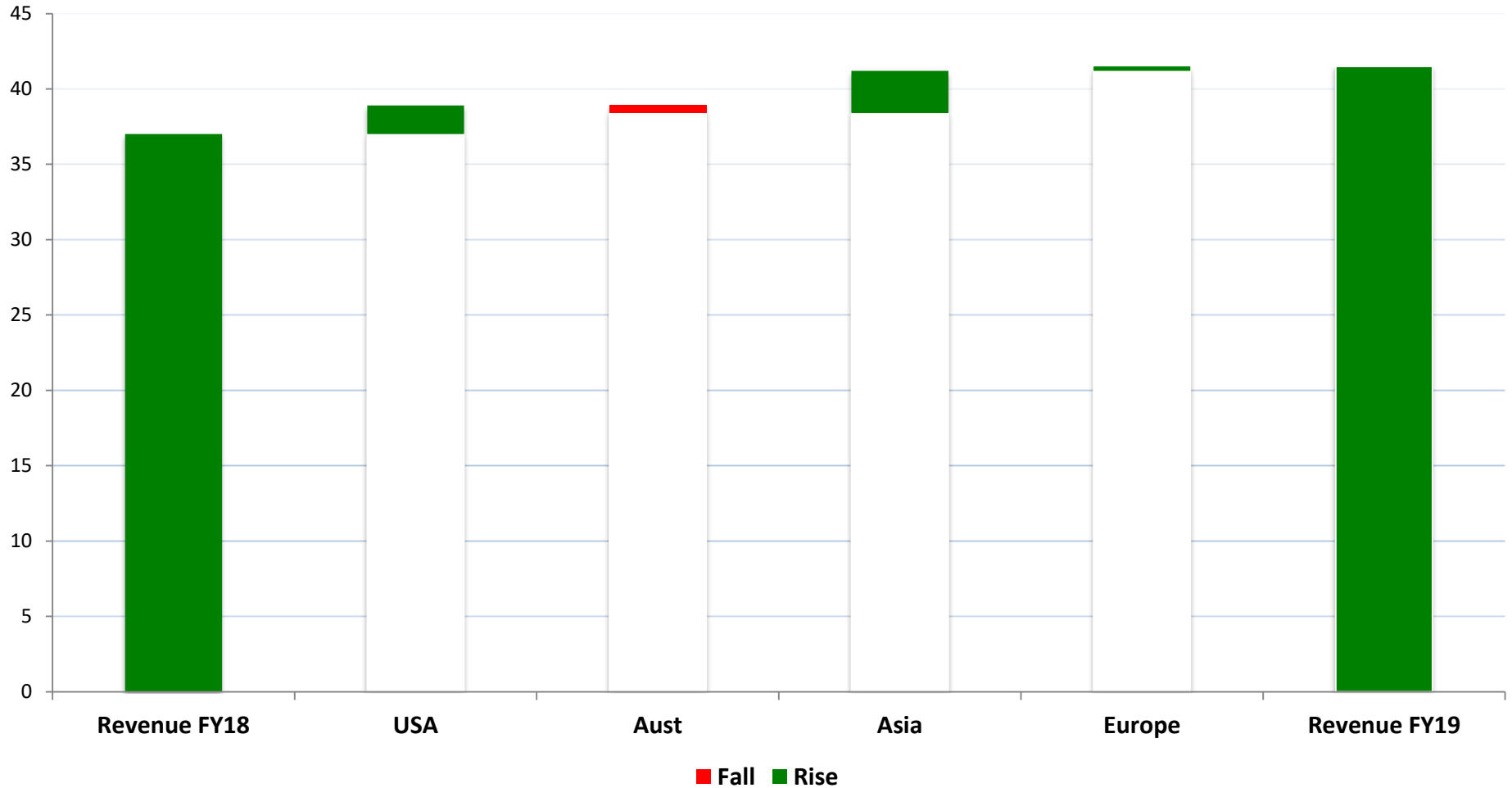
	FY19	FY18	Variance	Comment
Revenue	\$41.5m	\$37.0m	12%	Revenue growth across key international markets for the core business, including China, DWL and US. Further partial booking of first MEG sale.
EBITDA	\$5.9m	\$4.2m	40%	Profitability grows as a result of the growth in revenues and also on-going operational improvements and efficiency gains. Margins improve 3% over the pcp to 60%.
NPAT	\$4.0m	\$2.8m	43%	Strong growth in NPAT despite increasing charge to tax expense (FY19 \$1.1m) as tax losses now fully utilised and Company will transition back to income tax payments over coming years.

FY2019 – Performance Review

- Core: Asia business, and China in particular, strong with 26% lift in revenues over pcp.
- Core: DWL business 17% lift in revenues and US business 16%, FY19 compared to FY18.
- Core: Profitability grows as a result of the overall growth in revenues, including the further partial invoicing of the first MEG sale. The selective and on-going outsourcing of production, along with other efficiency gains also contributes to growth in profitability at the EBITDA and NPAT lines.
- MEG growth initiative: The first phase of the first MEG sale to Barrow Neurological Institute in Phoenix, AZ, USA, has been undertaken with the second and final phase planned for early H2 FY20. Further MEG opportunities identified with discussions on-going.
- eHealth growth initiative – 30 sites, with over 210 beds in US and Australia secured for Nexus 360 (professional application), which generated \$600k of revenues in FY19. Total signed contracts now have annual subscription fees exceeding \$1m.
- Somfit (consumer application) product development significantly advanced and 3rd party discussions continue, with the device having being trialed with an elite Melbourne-based sports team over winter 2019.

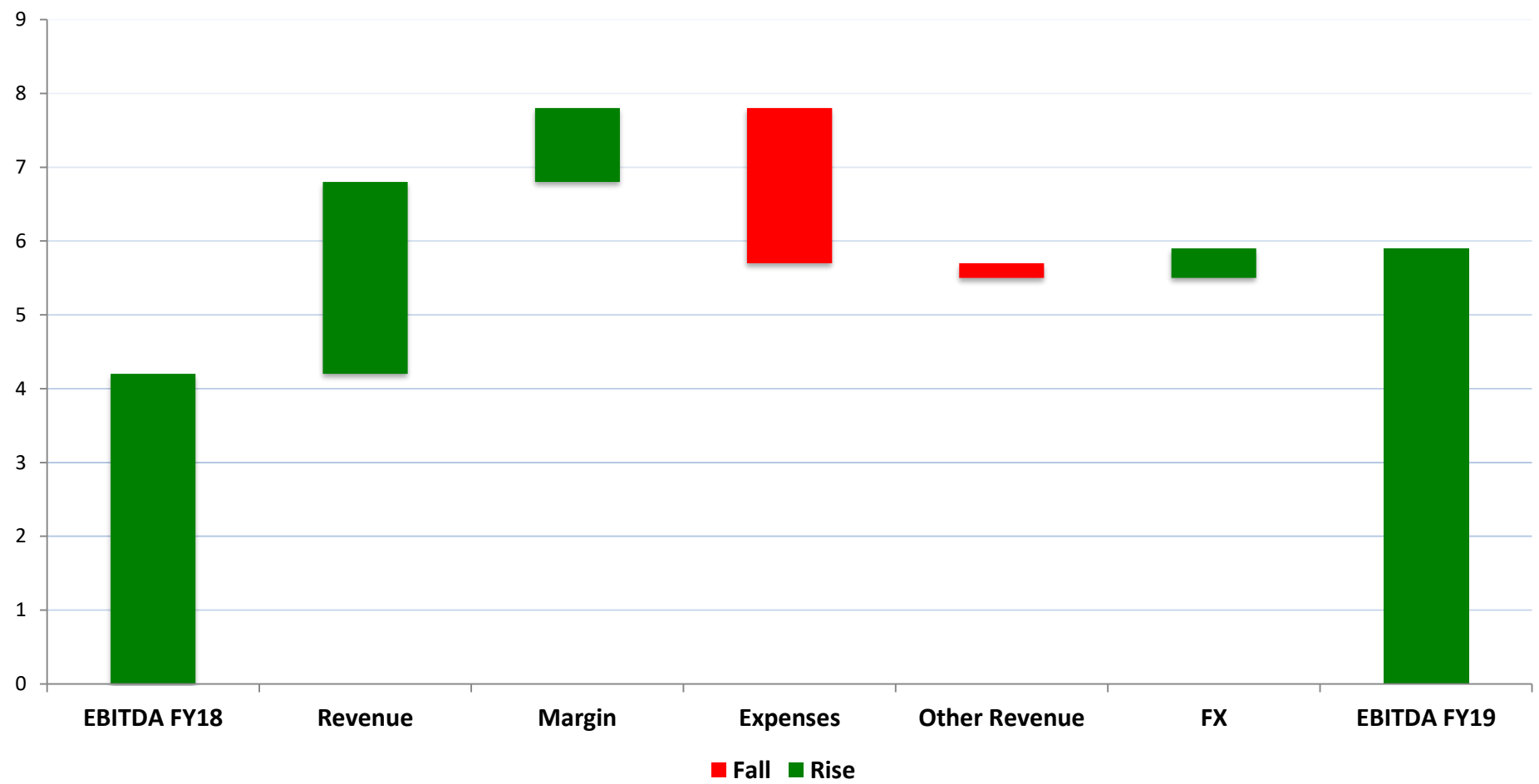
Revenue Bridge Chart – FY18 to FY19

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EBITDA Bridge Chart – FY18 to FY19

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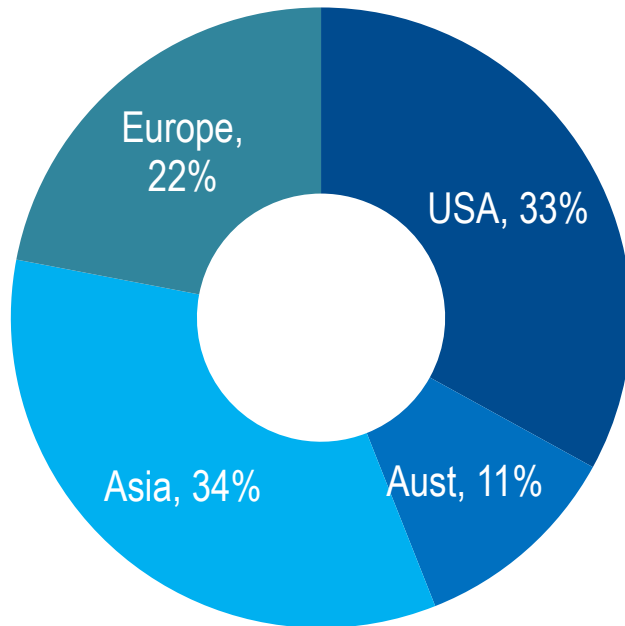


Revenue Composition at \$41.5m

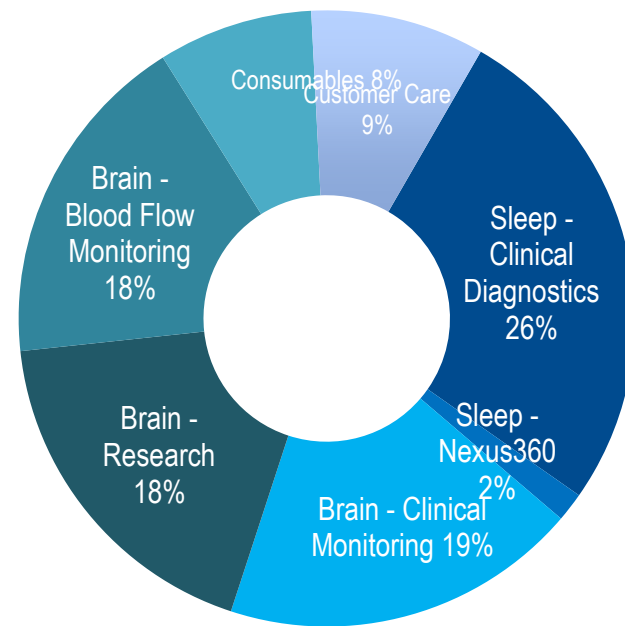
30 June 2019

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By geographic region



By product/market

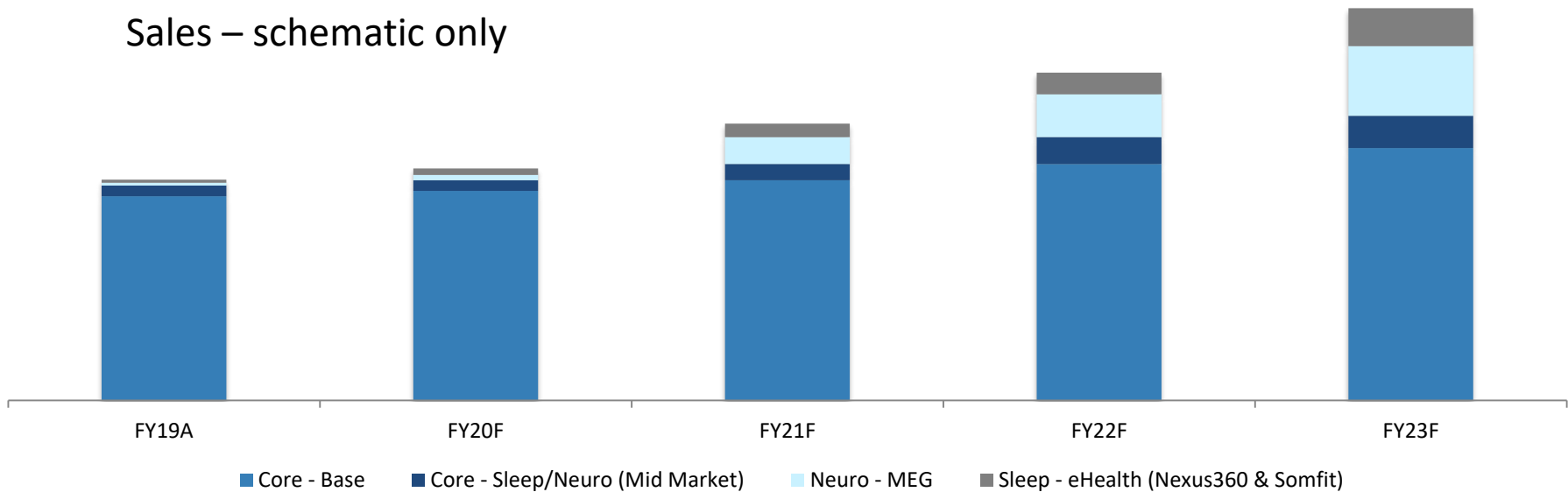


Software upgrades 5 to 10% of system revenues. MEG included in Brain – Research

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

Growth Platform – Core and Step-Out

Sales – schematic only



- **Step-out - NEURO – BRAIN IMAGING** – First phase installation at Barrow Neurological Institute in Phoenix, AZ, USA has been undertaken and the second and final phase is scheduled for early H2 FY20. It confirms that we can transition from a USD30k software sale to a USD3.5m complete system sale. 2nd and third sales opportunities being actively pursued.
- **Step-out - SLEEP - CLOUD GROWTH** – Nexus 360 cloud-based professional sleep diagnostic solution sold to more than 30 sites in US and Australia and generated revenues of \$600k in FY19. Annual contracted fees now over \$1m. Somfit development and discussions continue.
- **Core - SLEEP & NEURO – DIAGNOSTIC GROWTH** – Mid-market devices selling and expansion in China is moving ahead at expected rates with US expansion continuing. Neurology remains a key focus for core business growth in Asia, China, US and other key markets.

*MEG = Magnetoencephalography

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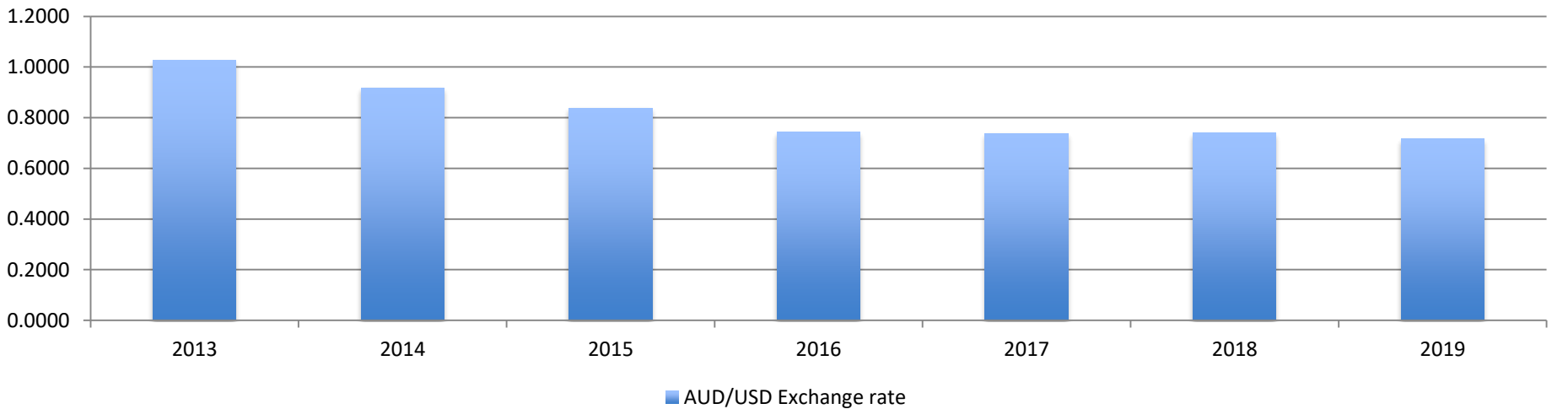
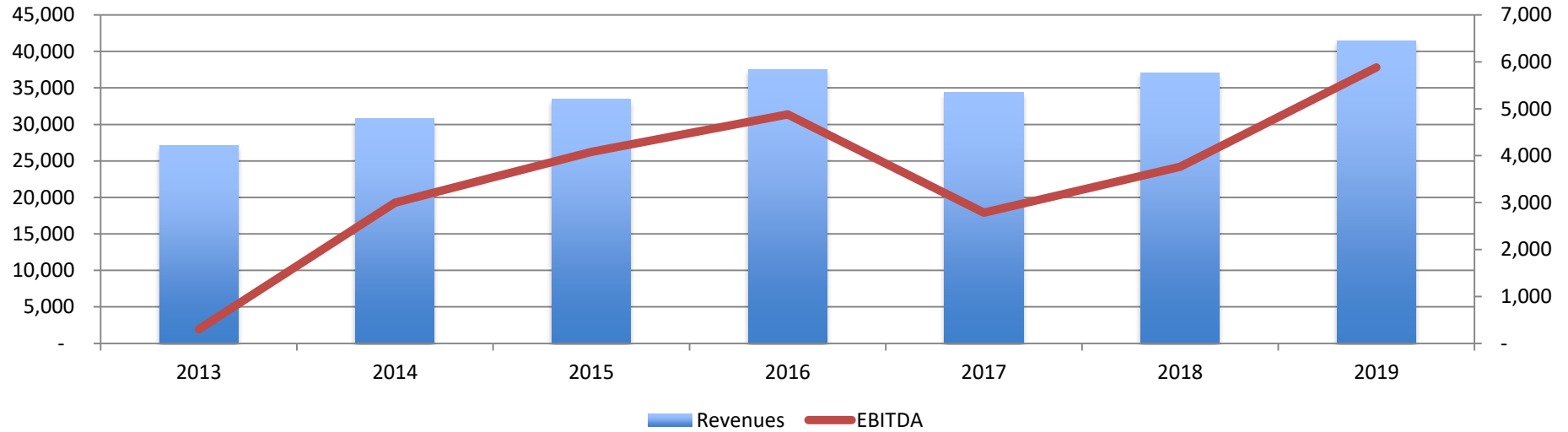
Core Business – Premium Focus

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

Core Business – Growing revenues and earnings

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Core Business – Consistent Net Cash Position

\$m	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Cash	1.3	1.1	2.2	3.1	4.1	3.9	4.6
Trade receivables	8.1	8.6	9.8	11.9	13.1	18.3	16.0
Inventories	5.5	6.1	5.7	6.5	7.4	7.6	7.8
Capitalised R&D	3.5	2.9	2.7	2.4	2.4	4.0	6.8
Tax asset	0.0	0.0	0.0	0.5	0.8	0.1	0.0
PP&E	0.7	0.7	0.8	0.8	0.7	0.7	1.7
Other	0.0	0.2	0.5	0.9	0.7	0.0	1.8
Assets	19.1	19.5	21.7	26.1	29.2	34.7	38.7
Trade creditors	4.7	4.7	4.4	4.1	4.2	5.1	4.4
Borrowings	2.3	2.0	2.0	2.6	0.7	1.9	1.6
Deferred Revenues	1.4	1.4	1.6	2.0	1.6	1.7	1.4
Other/Deferred Tax	2.2	2.3	2.5	2.8	2.7	2.7	4.0
Total Liabilities	10.7	10.4	10.4	11.5	9.2	11.5	11.4
Net Assets	8.4	9.2	11.3	14.6	20.1	23.2	27.3
<i>Debt/Equity</i>	<i>13%</i>	<i>11%</i>	<i>-2%</i>	<i>-3%</i>	<i>-17%</i>	<i>-9%</i>	<i>-11%</i>

Core Business – Adding Mid-Tier Range

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

Next Generation Growth – Core *and Step-out*

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

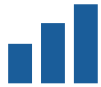
Core Business - Growth Drivers



Compumedics/Neuroscan innovative brain analysis software (CURRY 9 close to release) and high performance amplifiers are unrivalled world class technology. New ambulatory range to release in 2020.



We have about 23,000 systems installed worldwide. Strong reputation and brand name. Customers like buying from Compumedics.



Earnings initiatives to continue to flow through in FY20 – FY21. Lower cost base enables addition of mid-tier, plus new ambulatory range releasing FY20 and further manufacturing and operational efficiency gains.



USA business growing with further modifications and enhancements to the team being implemented to support stronger growth across the entire business there.



Continued expansion into untapped German market and ongoing growth in France.



Continuing growth in China for sleep diagnostics, with a stronger emphasis on the neuro diagnostic and monitoring market there.

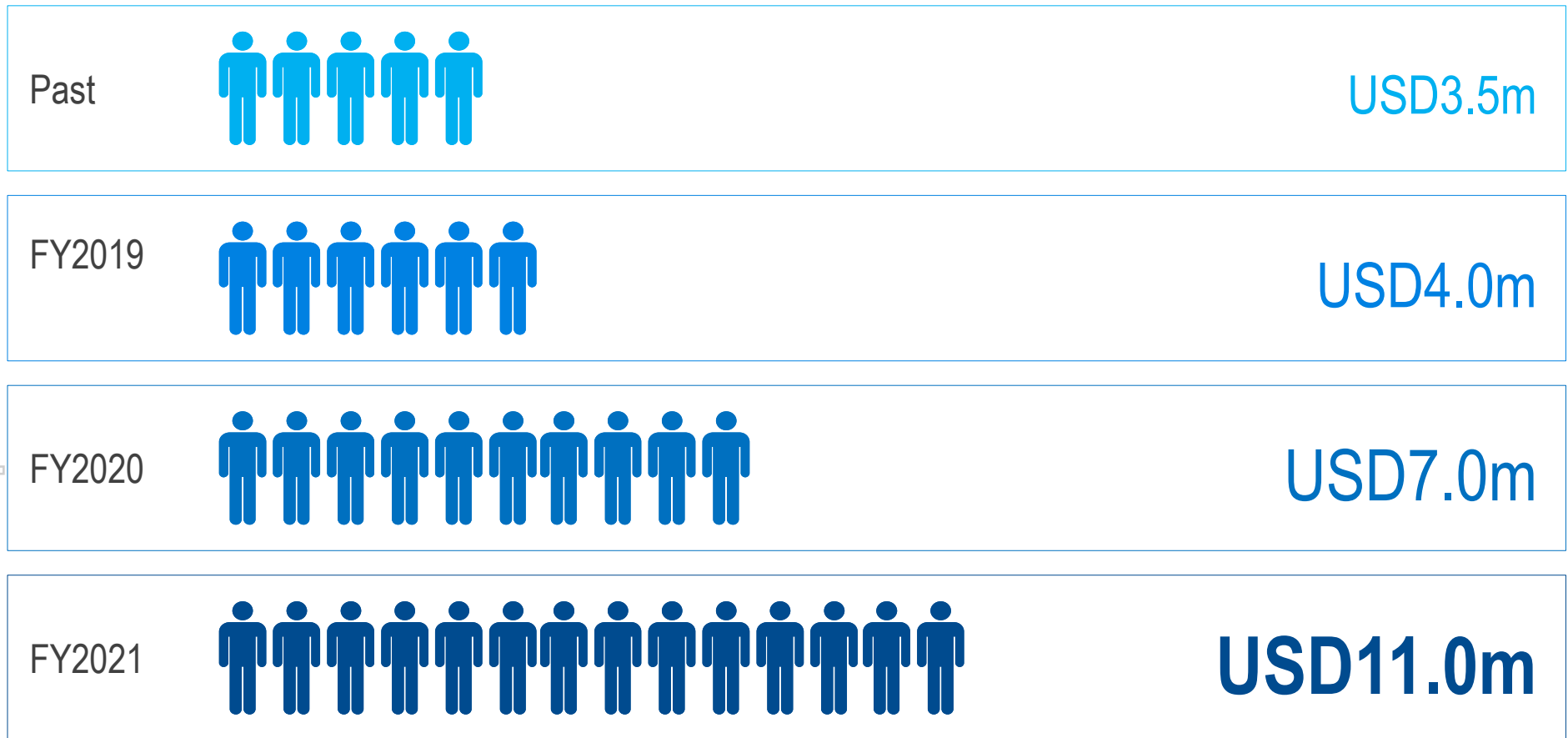


Ideally positioned to accelerate organic growth and value realisation

USA – CMP is number 3 Supplier

USA Clinical Sales Force Expansion - Indicative

More sales representatives = more revenue for both sleep and neurology



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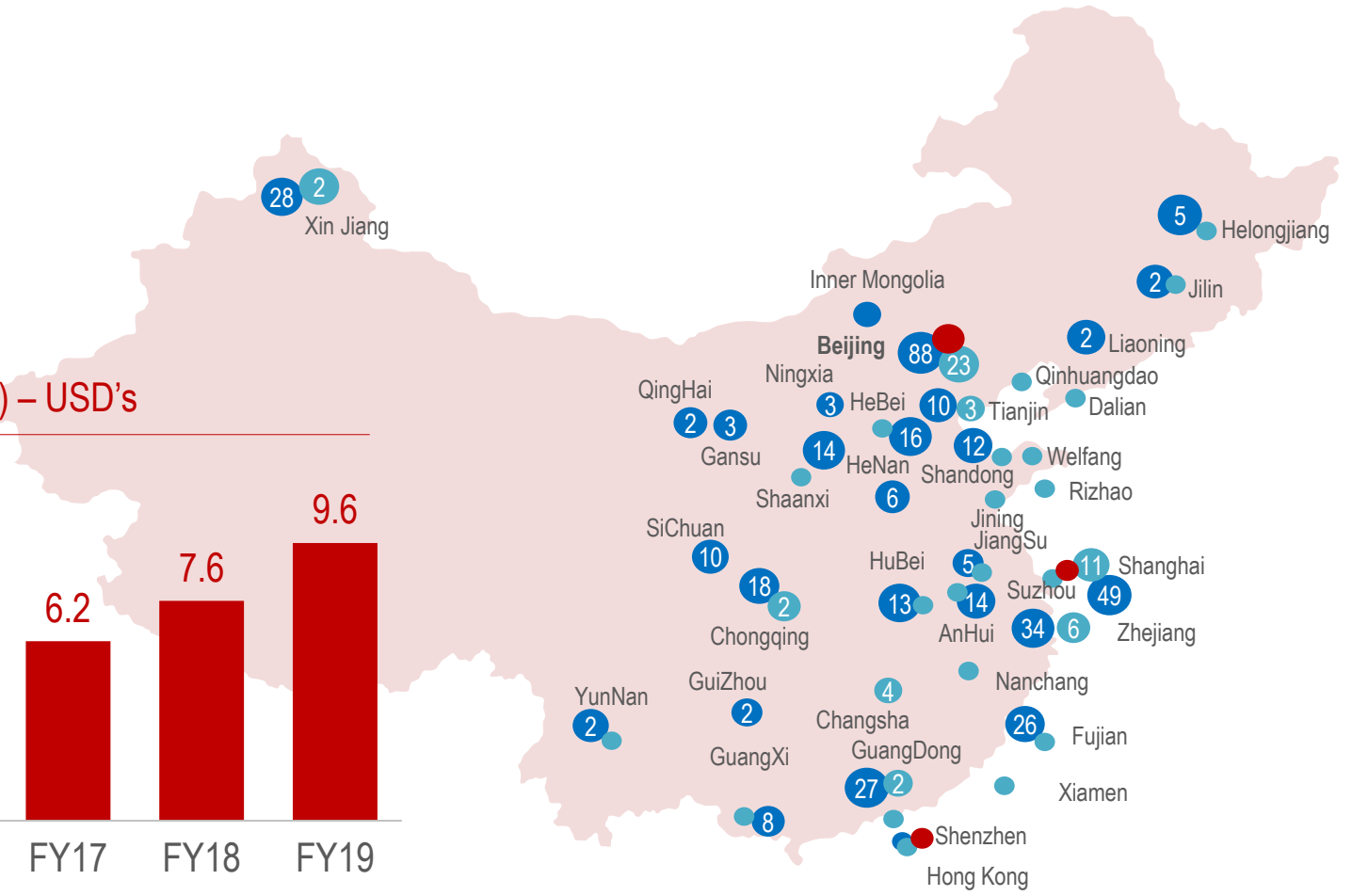
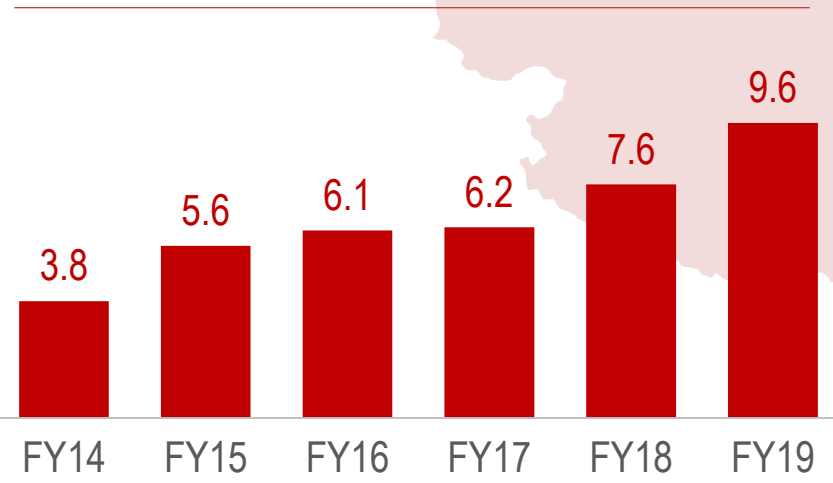
China - We are the number 1 Premier Supplier

Compumedics Clients in China

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- Sleep
- Neuroscience
- Neuroscan

China Sales (invoiced) – USD's



Step out 1 - Brain Imaging: 1st sale secured

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Opportunity

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

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

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

Market & Competition

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

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

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

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



Plan

H2 FY19 – first phase of MEG installation undertaken at US based Barrow Neurological Institute (BNI)

H2 FY20 – second and final phase of MEG installation undertaken at BNI

FY20 – Secure second and possibly third MEG sales

FY20 – gain FDA for MEG in US for clinical application

Outcome

CMP has sold and partially installed 1 MEG systems in FY19

CMP expects to sell at 1 and possibly 2 MEG systems in FY20

CMP expects to double sales in FY21 to 2 to 4 MEG systems

*MEG = Magnetoencephalography

**MRI = Magnetic resonance imaging

Step out 2 - eHealth – Cloud Sleep Diagnostics

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Nexus 360 (professional cloud sleep diagnostics) sold into more than 30 US and Aust. sites with over 210 beds and generated revenues of \$600k in FY19.

Contracted revenues now running at \$1m pa run rate as we exited FY19.

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

Compumedics is continuing to seek appropriate third parties to expedite the process and also take the Somfit consumer device to targeted market opportunities.

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



COMPUMEDICS 'Defining Life's Signals'

25 YEARS OF DIAGNOSTICS EXCELLENCE SINCE 1997

Directors & Executive Team Key Management

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Mr Tucson Dunn
Non Executive Director
CMP Tenure 12 months



David Burton, Ph.D.
Executive Chairman, CEO
Founder, Tenure 32 yrs



Mr. David Lawson
Chief Financial Officer
& Company Secretary
CMP Tenure 20 yrs



Mr. Warwick Freeman
Chief Technology Officer
CMP Tenure 26 yrs



Kerry Hubick, Ph.D.
Trademark, Patent &
General Legal Attorney
CMP Tenure 11 yrs



Mr. Christoph Witte
General Managing Director
Compumedics Germany GmbH
CMP/DWL - Tenure 29 yrs



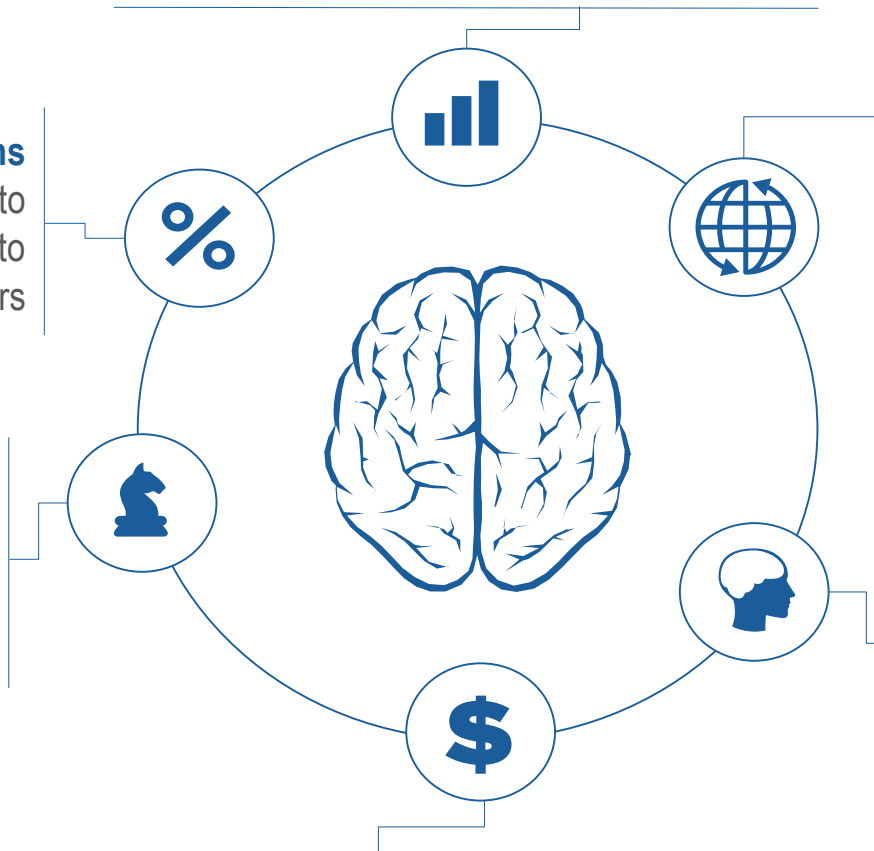
Investor Summary

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

Compumedics remains committed to continuing to deliver superior returns to shareholders

Spin off/strategic decisions to unlock significant value, provide funds for growth and potentially capital returns to shareholders



International sales force expansion, neurology and sleep market opportunity and earnings improvement initiatives to continue to drive growth of core business

Brain imaging and e-Health are the next steps Moving 25+ years and \$100m+ in cumulative R&D to a modern platform to solve massive and growing problems of neuro imaging in clinic and sleep disorders in the home

FY20 guidance: Sales \$42m-\$44m, \$6.5m-\$7.5m EBITDA, NPAT \$4.0m-\$5.0m

Meeting closes

Refreshments are available in the main reception area, where additional questions and discussion are encouraged, for those who are interested.

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THANK YOU



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- > MEDICAL INNOVATIONS

profusion
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Laboratory Management System

OVER
30
YEARS
OF EXCELLENCE
IN DIAGNOSTICS