

COMPUMEDICS LIMITED

(ACN 006 854 897)

ASX Half-year information 31 December 2021

Lodged with the ASX under Listing Rule 4.2A.3

This information should be read in conjunction with the 30 June 2021 Annual Report.

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Compumedics Limited Half-year ended 31 December 2021

(Previous corresponding period:
Half-year ended 31 December 2020)

Results for Announcement to the Market

				\$'000
Revenue from continuing operations <i>(Appendix 4D item 2.1)</i>		Down 7% or \$1,270k	to	16,778
Profit before interest and tax (A\$'000)		Down 47% or \$561k	to	625
Profit after tax attributable to members <i>(Appendix 4D item 2.2)</i>		Down 78% or \$1,029k	to	287
Net Profit for the period attributable to members <i>(Appendix 4D item 2.3)</i>		Down 78% or \$1,029k	to	287

Dividends/distributions <i>(Appendix 4D item 2.4)</i>	Amount per security	Franked amount per security
Final dividend (prior year)	n/a	n/a

Record date for determining entitlements to the dividend
(Appendix 4D item 2.5)

n/a

No interim dividend has been declared.

Explanation of Revenue *(Appendix 4D item 2.6)*

The Company took sales orders in the six months to December 31, 2021 (H1 FY22) of \$27.0m, representing a 33% increase over sales orders taken for the prior corresponding period (pcp) (H1 FY21) of \$20.4m. This included a new MEG sales order, which was booked late H1 FY22. The increase in sales orders taken for H1 FY22, excluding the MEG order, was 12% over H1 FY21 and was a result of increased sales orders taken in Asia (up 103%), Japan (up 22%) and the Middle East (up 77%) with Australia (up 3%), Europe in line with H1 FY21. These gains were partially offset by declines in the US (down 9%) and DWL (down 22%). DWL was down as the prior period included a large project not repeated in the current year.

The Company generated shipped and invoiced revenues from the sale of goods and services of \$16.8m for H1 FY22. This represents a 7% decline over shipped and invoiced revenues for H1 FY21. Shipment of sales orders received in the six months were impacted by global supply issues, chip shortages/delays and other pandemic related factors. It

is expected sales orders received in H1 FY22, but not shipped in H1 FY22 will be shipped in the current six-month period to 30 June 2022. At 31 December 2021, the Company was holding a record \$16.1m in sales orders to ship.

By region shipped and invoiced revenues were 217% higher in Japan in H1 FY22 compared to H1 FY21, 45% higher in Europe and 122% higher in the Middle East. These increases were offset by declines in shipped and invoiced revenues in the US of 3% and Asia of 15% and DWL of 32%. The declines in shipments were largely pandemic related and should be made up in H2 FY22.

Explanation of Profit after tax *(Appendix 4D item 2.6)*

Profit after tax for H1 FY22 was \$0.3m, compared to \$1.3m for H1 FY21.

The decrease in profitability in H1 FY22 was largely a result of the fall in sales and the lower gross margin at 51% compared to 55% for H1 FY21. Expenses were higher because of increased costs ahead of the new hardware product platforms for release in calendar 2022. Some of these costs will abate in late H2 FY22. The Company also booked \$0.8m to other income as the loan provided to our US subsidiary, as part of the US pandemic response in 2020, was forgiven in H1 FY22 as the Company met the criteria for this to occur.

The Company remains committed to its strategic growth plans, whilst at the same time improving productivity and efficiency throughout the business to continue to generate consistent and growing profits.

Explanation of Dividends *(Appendix 4D item 2.6)*

No dividends were declared or paid in the period.

Net Tangible Asset (NTA) Backing *(Appendix 4D item 3)*

	2021	2020
Net tangible asset backing per ordinary share	9.1 cents	9.7 cents

Net tangible assets of \$16.05m divided by issued ordinary shares of 177.163m = 9.1 cents per share

Compumedics Limited

Half-year report – 31 December 2021

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Compumedics Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and Australian Stock Exchange Listing Rules.

Directors' Report

Interim Report – 31 December 2021

Your directors present their report on the consolidated entity consisting of Compumedics Limited and the entities it controlled at the end of and during the half-year ended 31 December 2021.

Directors

The following persons were directors of Compumedics Limited during the whole of the half-year and up to the date of this report, unless otherwise stated.

Dr. D. Burton
Mr. D. Lawson
Mr. T. Dunn

Mr. Paul Jensz has joined the Board of Directors from 1st January 2022.

Review of Operations

A summary of consolidated revenues and results for the half-year is set out below:

	6 months ended Dec 2021	6 months ended Dec 2020
Revenues from continuing operations (A\$'000)	16,778	18,048
Earnings before interest, tax, depreciation and amortisation (EBITDA, A\$'000)	1,247	1,938
Operating cash flow (OCF, A\$'000)	826	171
Profit before interest, and tax (A\$'000)	625	1,186
Profit for the half-year (A\$'000)	287	1,316
Basic earnings per share (cents)	0.2	0.7
Diluted earnings per share (cents)	0.2	0.7
Net cash (A\$'000)	1,839	1,837

Business / Product Group Performance

Group net profit after tax for H1 FY22 was \$0.3m compared to \$1.3m for H1 FY21. The result primarily reflects, compared to H1 FY21, revenues declining 7% because of global supply issues, chip shortages/delays and other

pandemic related factors. This also impacted gross margins which declined as a result of the reduced volumes from 55% to 51%. with an increase in expenses (up \$0.6m). The Company also benefited from a loan of \$0.9m in its US subsidiary being forgiven as the business there met the eligibility criteria to enable this to occur. The loan had initially been provided as part of the US governments response to the pandemic in 2020.

The Group continues to focus on the identified growth opportunities and will pursue these in conjunction with productivity gains and cost reductions and/or efficiencies to continue to grow the earnings of the Group, subject to the remaining effects of the COVID-19 pandemic.

The Group's key financial metrics over the half-year to 31 December 2021 included:

- Orders taken in H1 FY22 were a record \$27.0m and 33% higher than H1 FY21 due to the booking of the Company's second MEG sale and growth of 12% across the core business, excluding MEG.
- Shipped and invoiced sales at \$16.8m were 7% lower than H1 FY21 due to global supply issues, chip shortages/delays and other pandemic related factors.
- EBITDA for H1 FY22 was \$1.2m compared to \$1.9m for H1 FY21, primarily because of the fall in invoiced sales and gross margins as a result of pandemic related shortages and delays.
- Operating cash flows were \$0.8m for H1 FY22, compared to \$0.2m for H1 FY21
- Borrowings, on 31 December 2021, of \$6.9m were higher when compared to the \$5.0m of borrowings on 30th June 2021, largely due to the Company securing an additional \$4.5m facility, repayable over 10 years as part of an Australian Government pandemic relief initiative. This was partially offset by the forgiveness of the US pandemic response loan of \$0.9m.
- Cash on hand on 31 December 2021 was \$8.7m, which compared to the balance at 30th June 2021 of \$6.8m. Cash was up because of the funds received in relation to the new borrowing facility offset by repayment of an overdraft.

Explanation of non-IFRS measures of performance

	31 Dec 2021	31 Dec 2020
	\$'000	\$'000
Profit after tax	287	1,316
Tax expense / (benefit)	198	(296)
Interest expense	140	166
Earnings before interest and tax (EBIT)	625	1,186
Depreciation	244	279
Amortisation	378	473
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1,247	1,938

The Group's financial results are reported under International Financial Reporting Standards (IFRS). This market release also contains non-IFRS measures including EBITDA, EBIT and constant currency. These measures are presented to enable an understanding of the performance of the business before funding, taxation and the treatment of assets is taken into

consideration and to review the performance of the business excluding foreign currency movements. The table above explains how EBITDA and EBIT have been calculated.

Events subsequent to reporting date

There are no matters after half-year end that would materially impact the financial information provided.

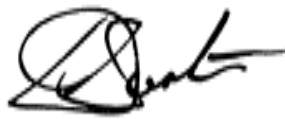
Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

Rounding of amounts

Compumedics Limited is a type of company referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2021/191 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.

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

A handwritten signature in black ink, appearing to read 'D. Burton', with a stylized flourish extending to the right.

D. Burton
Executive Chairman

Melbourne
25 February 2022

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001
TO THE DIRECTORS OF COMPUMEDICS LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2021 there has been:

- a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b. no contraventions of any applicable code of professional conduct in relation to the review.



**Nexia Melbourne Audit Pty Ltd
Melbourne**



**Andrew S. Wehrens
Director**

Dated this 25th day of February 2022

Compumedics Limited
Consolidated statement of profit or loss and other
comprehensive income
for the half-year ended 31 December 2021

Notes	Half-year 2021 \$'000	Half-year 2020 \$'000
Sale of goods	14,717	16,207
Rendering of services	2,061	1,841
Revenue	16,778	18,048
Cost of sales	(8,233)	(8,086)
Gross profit	8,545	9,962
Other revenue	1,438	890
Administration	(2,684)	(3,149)
Sales & Marketing	(4,476)	(3,910)
Research & Development	(2,276)	(1,744)
Unrealised foreign exchange gain / (loss)	78	(863)
Finance costs	(140)	(166)
Profit before income tax	485	1,020
Income tax (expense) / benefit	(198)	296
Profit after income tax	287	1,316
Net profit for the period	287	1,316
Other comprehensive income		
Items that may be subsequently reclassified to Profit or Loss when specific conditions are met:		
Foreign currency translation	8	(659)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	295	657

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Compumedics Limited
Consolidated statement of profit or loss and
comprehensive income
for the half-year ended 31 December 2021

Notes	Half-year 2021 \$'000	Half-year 2020 \$'000
Earnings per share for profit attributable to the ordinary equity holders of the parent:	Cents	Cents
Basic earnings per share	0.2	0.7
Diluted earnings per share	0.2	0.7

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Compumedics Limited
Consolidated statement of financial position
as at 31 December 2021

	Notes	31 Dec 2021 \$'000	30 June 2021 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	4	8,718	6,770
Receivables		10,869	13,011
Inventories		10,073	9,679
Other		2,828	2,472
Income tax receivable		3	2
Total current assets		32,491	31,934
Non-current assets			
Property, plant and equipment		818	955
Right-of-use assets	5	428	756
Deferred tax assets		713	821
Intangible assets	3	5,220	4,080
Non-current assets		7,179	6,612
Total assets		39,670	38,546
LIABILITIES			
Current liabilities			
Payables		4,384	5,385
Borrowings	4	6,393	4,408
Lease liabilities	5	466	663
Provisions		3,197	3,149
Deferred revenue		2,097	1,749
Total current liabilities		16,537	15,354
Non-current liabilities			
Borrowings	4	486	593
Lease liabilities	5	-	156
Provisions		18	16
Deferred revenue		179	272
Total non-current liabilities		683	1,037
Total liabilities		17,220	16,391
Net assets		22,450	22,155
EQUITY			
Contributed equity		35,654	35,654
Reserves		(465)	(473)
Retained losses		(12,739)	(13,026)
Total equity		22,450	22,155

The above statement of financial position should be read in conjunction with the accompanying notes.

Compumedics Limited
Consolidated statement of changes
in equity for the half-year
ended 31 December 2021

	Contributed equity \$,000	Reserves \$,000	Retained earnings/ (losses) \$,000	Total \$'000
Balance at 1 July 2020	35,654	164	(14,024)	21,794
Profit for the period	-	-	1,316	1,316
Other comprehensive income/(loss)	-	(659)	-	(659)
Total comprehensive income for the half year	-	(659)	1,316	657
Transactions with owners in their capacity as owners:				
Shares issued during the period	-	-	-	-
Balance at 31 December 2020	35,654	(495)	(12,708)	22,451
Balance on 1 July 2021	35,654	(473)	(13,026)	22,155
Profit for the period	-	-	287	287
Other comprehensive income	-	8	-	8
Total comprehensive income for the half year	-	8	287	295
Transactions with owners in their capacity as owners:				
Shares issued during the period	-	-	-	-
Balance at 31 December 2021	35,654	(465)	(12,739)	22,450

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Compumedics Limited
Consolidated statement of cash flows
for the half-year ended 31 December 2021

	Notes	Half-year 2021 \$'000	Half-year 2020 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		18,567	16,255
Payments to suppliers and employees (inclusive of goods and services tax)		(18,155)	(16,807)
Receipts from other income		554	889
Income tax paid		-	-
Interest paid (net of interest received)		(140)	(166)
Net cash inflow / (outflow) from operating activities		826	171
Cash flows from investing activities			
Purchase of property, plant and equipment		(215)	(25)
Purchase of intangible assets		(986)	(735)
Net cash (outflow) from investing activities		(1,201)	(760)
Cash flows from financing activities			
Repayments of leases – finance		(6)	(6)
Repayments of leases – principal		(172)	(474)
Proceeds from borrowings		4,500	-
Repayment of borrowings		(2,044)	(58)
Net cash inflow / (outflow) from financing activities		2,278	(538)
Net increase/(decrease) in cash held		1,903	(1,127)
Cash and cash equivalents at the beginning of the period		6,694	6,015
Net foreign exchange differences		121	(537)
Cash and cash equivalents at the end of the period	4	8,718	4,351

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Compumedics Limited
Notes to the financial statements
for the half-year ended 31 December 2021

1 Basis of preparation and accounting policies

(a) Basis of preparation

The general purpose condensed financial report for the half-year ended 31 December 2021 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This half-year financial report does not include all the notes of the type normally included within the annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Compumedics Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and Australian Stock Exchange Listing Rules.

The accounting policies adopted for the interim condensed consolidated financial statements are consistent with those followed for the preparation of the Group's annual financial statements for the year ended 30 June 2021, and other standards issued as of 1 July 2021 or effective as of 31 December 2021 do not have a significant impact on the consolidated financial statements of Compumedics Limited unless otherwise stated.

The Group has not elected to early adopt any other new standards, amendments or interpretations that are issued but not yet effective.

(b) Going Concern assumption

During the half-year ended 31 December 2021, the Group generated a profit after tax of \$0.3m and \$0.8m cash flows from operations. In the corresponding prior half-year, the Group generated a profit after tax of \$1.3m and cash flows from operations of \$0.2m.

The Group's net cash position (cash less borrowings) on 31 December 2021 was \$1.8m, compared to 30 June 2021 at \$1.8m.

As such, the Directors have prepared the financial statements on a going-concern basis.

(c) New and revised Accounting Standards

Amendments to Accounting Standards and new interpretations that are mandatorily effective for the current reporting period

There were no new or revised Accounting Standards adopted during the six months to 31 December 2021.

Compumedics Limited

Notes to the consolidated financial statements

for the half-year ended 31 December 2021

Note 2. Operating segment

Identification of reportable segments

The Group has identified its operating segments based on the internal reports, which are produced by geographical segment, and which are reviewed and used by the chief operating decision maker, being the Chief Executive Officer and Chief Financial Officer, in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the country of origin and the senior managers who are responsible for the performance of the business in that geographic territory, the type of product and service provided and whether the product is sold directly to end-user customers or via distributors.

The reportable segments are based on geographic territory as these are the sources of the Group's major risks and have the most effect on rates of return.

Geographic locations

Americas

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

Europe and the Middle East

The Group's Europe-based business has its principal office in Singen, Germany with a second office in Hamburg, Germany. The European 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, ultrasonic blood-flow systems, supplies and technical service and support.

Compumedics Limited
Notes to the consolidated financial statements
for the half-year ended 31 December 2021

Note 2. Operating segment - continued

Identification of reportable segments - continued

The Group sells its ultrasonic blood-flow systems directly in Germany and all other products are sold via a network of distributors across the territory.

The following table represents revenue and profit information for reportable segments for the half-years ended 31 December 2021 and 31 December 2020.

Half-year ended 31 December 2021

	Continuing operations			Total
	USA	Australia and Asia Pacific	Europe	
	\$'000	\$'000	\$'000	\$'000
Revenue				
Sales to external customers	5,082	7,156	4,540	16,778
Intersegment sales	366	2,885	241	3,492
Other intersegment revenue	-	-	729	729
Total segment revenue	5,448	10,041	5,510	20,999
Intersegment elimination	(366)	(2,885)	(970)	(4,221)
Total revenue	5,082	7,156	4,540	16,778
Segment Result	100	528	619	1,247
Depreciation and amortisation	(130)	(319)	(173)	(622)
Finance costs	(31)	(88)	(21)	(140)
Net profit/(loss) before income tax per the statement of profit/(loss) and comprehensive income	(61)	121	425	485
Segment Assets	7,698	57,483	7,950	73,131
Intersegment eliminations	-	(33,461)	-	(33,461)
Total assets per the Statement of Financial Position	7,698	24,022	7,950	39,670

Compumedics Limited
Notes to the consolidated financial statements
for the half-year ended 31 December 2021

Half-year ended 31 December 2020

	Continuing operations			Total
	USA	Australia and Asia Pacific	Europe	
	\$'000	\$'000	\$'000	\$'000
Revenue				
Sales to external customers	5,282	7,413	5,353	18,048
Intersegment sales	144	1,851	344	2,339
Other intersegment revenue	-	-	742	742
Total segment revenue	5,426	9,264	6,439	21,129
Intersegment elimination	(144)	(1,851)	(1,086)	(3,081)
Total revenue	5,282	7,413	5,353	18,048
Segment Result	(134)	332	1,740	1,938
Depreciation and amortisation	(146)	(337)	(269)	(752)
Finance costs	(33)	(109)	(24)	(166)
Net profit/(loss) before income tax per the statement of profit/(loss) and comprehensive income	(313)	(114)	1,447	1,020
Segment assets	8,479	51,688	6,619	66,786
Intersegment eliminations	-	(30,551)	-	(30,551)
Total assets per the Statement of Financial Position	8,479	21,137	6,619	36,235

Compumedics Limited
Notes to the consolidated financial statements
for the half-year ended 31 December 2021

Note 3. Intangible assets

	31 Dec 21 \$'000	30 Jun 21 \$'000
Intangible asset	5,220	4,080

Intangible assets comprise capitalised development costs associated with the MEG project and the Somfit® device. Development costs of \$1.152m were capitalised in the half-year to 31 December 2021 for the MEG project and the Somfit® project. No amortisation charge is included in the profit and loss for the six months to 31 December 2021. The MEG asset will be amortised over a 10-year period commencing with the completion of the installation of the first sale, expected in calendar 2022. The Somfit® asset will be amortised over a 7-year period, commencing with the first commercial transaction, expected in late calendar 2022.

The Germany-based DWL business capitalises development costs associated with its new robotic TCD technology. Additional costs were capitalised in the current period of \$30k. Amortisation of \$33k is included in the profit and loss for the six months to 31 December 2021.

Note 4. Cash, Interest bearing liabilities and cash equivalents

	31 Dec 21 \$'000	30 Jun 21 \$'000
Current interest-bearing liabilities	6,393	4,408
Non-current interest-bearing liabilities	486	593
Total interest-bearing liabilities	6,879	5,001
Current interest-bearing liabilities comprise:		
Invoice financing facility / Overdraft	-	1,629
Fixed term borrowings	6,192	1,920
Other – lease commitments	6	11
Other – unsecured loan	195	848
Total current interest-bearing liabilities	6,393	4,408
Cash and cash equivalents		
Cash	8,718	6,770
Overdraft and trade facility	-	(1,629)
Cash and cash equivalents	8,718	5,141

Compumedics Limited
Notes to the consolidated financial statements
for the half-year ended 31 December 2021

Note 4. Cash, Interest bearing liabilities and cash equivalents (continued)

Interest bearing liabilities comprise primarily of fixed-term borrowings and an overdraft facility (\$2.0m) provided by the Group's bank in Australia, as well as an overdraft facility in DWL Germany (EUR0.4m). The fixed-term facilities comprise a 10-year loan that was fully drawn in December 2021 for \$4.5m under the federal governments SME pandemic recovery scheme, a \$1.4m loan in relation to the MEG business repayable over 4 years, which commenced in June 2021 and an equipment financing facility for \$0.3m. The Group also had a loan under the Payroll Protection Program in the US, which was forgiven in July 2021, as the obligations of that facility were met.

The Group reports cash flows back to cash and cash equivalents as noted in the table above, by subtracting the working-capital financing facilities from actual cash held by the Group at reporting date.

Note 5. Lease Liabilities and Right-of-use Asset

The Group has lease liabilities relating primarily to the offices it runs the business from in Melbourne, Charlotte, Singen, Hamburg and El Paso. Additional lease liabilities included below relate to cars and office equipment in the DWL business in Germany. The total lease liabilities are:

Current lease liabilities are \$466k (30 June 2021: \$663k).

Non-current lease liabilities are \$NIL (30 June 2021: \$156k).

A right-of-use asset have been booked in relation to these leases. The current value of the right-to-use asset is \$427k (30 June 2021: \$756k). In the six months to December 31, 2021, an amortisation charge against this asset was booked to income of \$333k. An interest charge of \$34k was also booked to income in relation to the lease liabilities for the six-month period to December 31, 2021.

Note 6. Events occurring after reporting date

There are no matters after half-year end that would materially impact the financial information provided.

**Compumedics Limited
Directors' Declaration
for the half-year ended 31 December 2021**

In accordance with a resolution of the Directors of Compumedics Limited, we state that:

In the opinion of the directors:

(a) the financial statements and notes set out on pages 9 to 19 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the half-year ended on that date; and

(b) there are reasonable grounds to believe that Compumedics Limited will be able to pay its debts as and when they become due and payable.

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



David Burton
Executive Chairman

Melbourne
25 February 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF COMPUMEDICS LTD

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Compumedics Limited, which comprises the Consolidated Statement of Financial Position as at 31 December 2021, the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Compumedics Limited does not comply with the *Corporations Act 2001* including:

- i) giving a true and fair view of Compumedics Limited's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- iii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company 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 annual 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* has been given to the directors of the Company, as at the date of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Nexia Melbourne Audit Pty Ltd
Melbourne**



**Andrew S. Wehrens
Director**

Dated this 25th day of February 2022

Compumedics Limited Supplementary Appendix 4D information for the half-year ended 31 December 2021

Additional dividend/distribution information² *(Appendix 4D item 5)*

Details of dividends/distributions declared or paid during or after the year ended 31 December 2021 are as follows:

Record date	Payment date	Type	Amount per security	Total dividend	Franked amount per security	Foreign sourced dividend amount per security
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Dividend/distribution reinvestment plans *(Appendix 4D item 6)*

NOT APPLICABLE

Material factors affecting the revenues and expenses of the economic entity for the current period

The major impacts to the revenues and expenses of the economic entity in the half-year to 31 December 2021 have already been disclosed elsewhere in this document.

Material factors affecting the assets, liabilities and equity of the economic entity for the current period

The major factors impacting the assets and liabilities of the Company relate to the on-going focus of the Company on enhancing its financial performance.

Material factors affecting the cash flows of the economic entity for the current period

The major factors impacting the cash flows of the Company relate to the on-going focus of the Company on enhancing its financial performance.