



ASX ANNOUNCEMENT

30 April 2025

CARDIEX MARCH 2025 QUARTER UPDATE

Highlights:

- Sales of CONNEQT Pulse showing strong momentum with ~3,000 units under contract, LOIs or sold direct-to-consumers since launch in mid-January.
- Significant new feature in the CONNEQT APP with the launch of industry-first Cardiology Report, to drive digital and recurring revenues.
- Expanded access for users with Apple Health App integration on iPhone.
- Regulatory uncertainty in the U.S. creating delays in clinical trial approvals for the Pharma business.
- Impact of Trump administration tariffs.
- Commencement of the lodgement process for registration with Therapeutic Goods Administration (TGA) in anticipation of launch of the Pulse in Australia.
- Consolidation and re-location of R&D and technology development to Sydney has delivered significant cost savings and improved operational efficiencies.
- Streamlined operational model, with cost base reduced by 30% delivering a resilient, scalable growth platform and a significantly lower profitability threshold.

CONNEQT Pulse Sales

Sales of the CONNEQT Pulse gained strong momentum throughout the March quarter following its official mid-January launch, with approximately 3,000 units either sold directly to consumers via connqthhealth.com or secured under contracts and letters of intent (LOIs). This robust performance within just 2.5 months of commercial availability validates the Company's strategic focus on penetrating new market segments with its category-defining central arterial waveform technology.

While initial sales efforts centered on converting the U.S. pre-sale waitlist and expanding direct-to-consumer traction, we've also seen encouraging early demand from international markets, including significant LOIs and contracts with a Southeast Asian distributor and a MedTech partner in the Americas.

Post-quarter, April closed with a projected annual Pulse sales run rate of \$1.7 million (which equates to approximately 300 units a month). Based on current momentum and sales data, we expect to exit June with a run rate of c.\$4-5 million (which equates to approximately 900 units a month).

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Blood pressure doesn't tell the whole story

Get a comprehensive arterial health assessment that reveals **hidden risks linked to heart disease, stroke, and vascular aging.**

\$350

Order Now

✓ FSA/HSA Eligible*

POWERED BY ARTERIAL INTELLIGENCE™

*An itemized receipt is provided for FSA/HSA reimbursement.



CONNNECT App Update

During the quarter, the Company significantly strengthened the CONNEQT ecosystem with the launch of an industry-first *Cardiology Report* feature in the CONNEQT App. This groundbreaking addition delivers a comprehensive, personalized cardiovascular health assessment - translating over 20 years of clinical research into a clear, intuitive digital format that makes advanced arterial health and central blood pressure insights accessible directly to consumers and their clinicians.

By turning clinically validated biomarkers into actionable insights, the Cardiology Report empowers users to take a proactive role in managing their heart health and making more informed lifestyle or medical decisions in collaboration with their healthcare providers. This innovation is expected to drive increased user engagement within the app, while laying the groundwork for future monetization through premium features such as in-depth reports, guided health programs, and subscription-based content.

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Search



A New Standard in Cardiovascular Intelligence: the CONNEQT Cardiovascular Report



Uwe Diegel

Official Manufacturer of Happiness, medical device designer, investor, pianist, keynote speaker, TEDx speaker, CEO at Lifeina,...



Another major milestone during the period was the integration of the CONNEQT App with the Apple Health app on iPhone. This new feature allows users of the CONNEQT Pulse monitor to securely sync their data with Apple Health, enabling select cardiovascular biomarkers to be automatically updated and easily accessed within the Health Records section of their iPhone - alongside the CONNEQT App.

Together with the newly launched Cardiology Report feature, this integration underscores the Company's commitment to delivering a more connected, personalized healthcare experience - empowering users to make better-informed decisions and manage their cardiovascular health with greater ease and confidence.

CONNEQT Pulse App

Revolutionizing Cardiovascular Health



4.3



Market Gap

Current BP apps show static readings, leaving users as passive observers.

120/80 mmHg

Our Disruption

A **device-agnostic platform** that drives active engagement with real-time, personalized coaching and gamified habit-building.

Enhanced insights via an upsell to our advanced arterial monitor.

Business Impact

Subscription-driven growth fueled by continuous personalization and dynamic engagement.

A **robust data moat** that unlocks future predictive analytics and monetization opportunities.

*From passive monitoring to a **proactive health revolution**—delivering sustainable, scalable growth.*



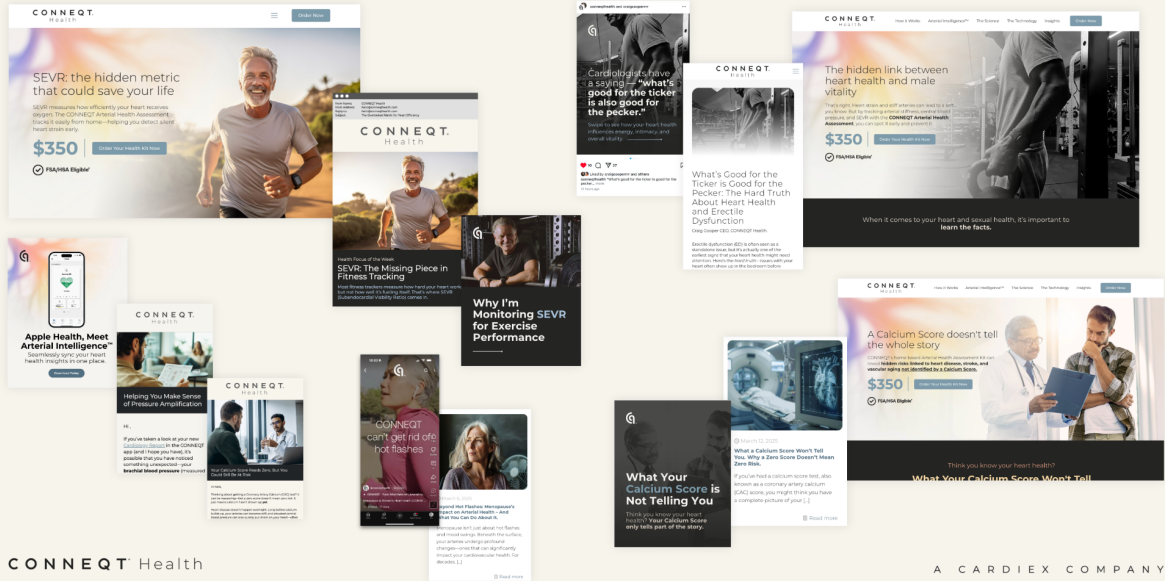
Marketing and Sales

During the quarter, the Company executed multiple sales and marketing campaigns as part of its broader digital strategy, with a focus on optimizing customer acquisition across key channels. Our efforts have been concentrated on identifying and scaling the most cost-effective platforms and partnerships to minimize overall customer acquisition cost (CAC).

Although still in the early stages, current data shows a paid (non-organic) CAC ranging from \$28 to \$90 across channels, with a blended average of approximately \$60 with Facebook emerging as our top-performing platform. As we move forward, we will continue to refine and optimize our paid acquisition strategy to maximize return on investment. In parallel, we are investing heavily in organic growth through direct campaigns across our Facebook, Instagram, YouTube, and TikTok channels, as well as through multiple weekly email newsletters targeting our CONNEQT subscriber base.

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CONNEQT Health Marketing Highlights



As part of our lead generation strategy, we've launched a new partnership with the American Heart Association (AHA) to offer a "Free 28-Day Guide to Better Arterial Health" on conneqthealth.com. This initiative is designed to capture email subscribers and drive direct, high-value organic leads - our most profitable conversion channel outside of paid platforms like Facebook, Instagram, Google Search, YouTube, and influencer marketing. The guide is one of several collaborative initiatives with the AHA, which also includes access to an extensive library of heart health education and resources now available through the CONNEQT app.



Boost Your Arterial Health in Just 28 Days!

Get our **FREE 28-Day Guide** to Better Arterial Health—featuring daily tasks, expert tips, and trusted education from the American Heart Association.

Email*

I agree to receive communications from CONNEQT Health.*

Submit

CONNEQT.
Health



American Heart Association.

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And finally, during the quarter, we also enabled FSA/HSA reimbursement - allowing customers to use pre-tax dollars through their healthcare plans or employer benefits to get reimbursed for eligible medical expenses, including the purchase of the Pulse.

Our Vision of “Category Ownership” and Market Positioning

Our sales, marketing, and brand strategy are all anchored in a clear vision: *category ownership*. That means not just leading a market, but defining it - creating a new, monetizable segment and being recognized as its undisputed authority.

We’ve seen this model play out successfully in the U.S. with companies like WHOOP, OURA, Levels, and Function Health and over the decades with global leaders like Cochlear and ResMed. These brands didn’t just participate in a category, they became synonymous with it.

At CONNEQT, we believe the next untapped frontier is **arterial health**. Our opportunity lies in owning this space through breakthrough technology, bold branding, and a market-first approach that puts us at the forefront of a new healthcare category.

Today, no one owns this space. Yet cardiovascular health remains the single largest opportunity in global healthcare. And we’re positioning CONNEQT to lead it.

Category	Company	Valuation
Metabolic Health	LEVELS	(US \$450m)*
Blood Biomarkers	Function	(US \$1.2B)*
Performance Fitness	WHOOP	(US \$3.8B)*
Sleep	OURA	(US \$5.2B)*
Pulse Oximetry	MASIMO	(US \$9B)*
Arterial Health	CARDIEX	(US \$???)

CARDIEX DIGITAL VASCULAR BIOMARKERS * Current or Last Funding Round Valuation

A key advantage in our pursuit of category ownership is our proprietary technology and strategic positioning within the growing field of preventative cardiovascular care. Our ability to deliver non-invasive, predictive insights into cardiovascular risk sets us apart - offering value to consumers, clinicians, and healthcare providers alike (see below table: “How We Compare to Patient-Centric Cardiovascular Screenings”). This aligns perfectly with the broader shift toward preventative medicine and the rising demand for longevity-focused solutions and protocols.

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How We Compare to Patient-Centric Cardiovascular Screenings

Test	Price	Heart Risk Assessed	# of Reports	In-Home Test
Full-Body MRI Scan	Up to \$2,500	None	One-Time	No
Cleerly Heart Scan	Up to \$1,500	Detailed coronary artery plaque analysis	One-Time	No
Coronary Calcium Scan	Up to \$500	Measures calcium buildup in arteries	One-Time	No
DEXA Scan	Up to \$500	None	One-Time	No
C O N N E Q T Arterial Health Assessment	\$350	Quantifies risk of heart attack & stroke	Two (2)	Yes
Carotid Artery Screening	Up to \$300	Detects blockages in carotid arteries	One-Time	No
Lipid Panel	Up to \$40	Measures cholesterol and triglycerides levels	One-Time	No

CARDIEX DIGITAL VASCULAR BIOMARKERS

Pharma and Research Sales

Despite a strong start to FY25, sales to pharmaceutical and research organisations experienced headwinds during the quarter. Regulatory uncertainty under the new U.S. Government administration has led to delays in clinical trial approvals and, in some cases, trial cancellations. According to *The Atlantic*, NIH officials have indicated that more than 100 NIH-funded clinical trials may be forced to halt abruptly as a result of these cuts. Additionally, *Science News* reports that the NIH is halting more than 100 clinical trials amid funding reductions. These cancellations are part of broader reductions in biomedical research funding under the Trump administration.

Given this environment, the Company has taken a prudent approach and revised its near-term Pharma pipeline from US\$8 million to US\$3-4 million, with approximately US\$1 million currently in the contracting phase.

Despite the broad market headwinds in Pharma we continue to see strong momentum separately in our research pipeline with 4th quarter research sales pipeline (>\$500,000) summarized below:

- **April:** More than \$175,000 in sales booked.
- **May:** The funnel remains robust, with a projected \$150,000 in sales. Importantly, roughly \$75,000 of this is not dependent on NIH funding, providing a buffer against government delays.
- **June:** Historically the peak period for NIH grant disbursements. While institutional purchasing timelines may push some orders into July, we remain optimistic about exceeding \$200,000 in June sales.

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We're actively prioritizing deals not reliant on NIH funding, including pharmaceutical partners, while also tracking upcoming NIH grant announcements. With a strong pipeline and strategic focus, we're well-positioned to drive significant growth through the end of FY25 and into FY26.

We remain firmly of the view that the new products and solutions recently released to the market can significantly enhance trial efficiency and scalability in one of the most important segments - cardiovascular health - and are confident in the continuing opportunities that exist not only in the USA, but also the EMEA and APAC regions.

Impact of Trump Administration Tariffs

As part of ongoing trade policy changes, tariffs under the Trump administration are having a broad impact across the medical technology sector. These tariffs include medical devices and components critical to our supply chain. For companies like ours, this presents potential challenges in terms of cost structure and pricing flexibility.

We are actively monitoring developments and exploring mitigation strategies, including supply diversification and regional logistics optimization, to maintain margin stability and ensure continued delivery of value to our customers and shareholders.

That said, our current run-rate projections for CONNEQT Pulse sales through June are based on existing inventory, which is not subject to the proposed tariffs. While there is still uncertainty around the potential impact on our FY26 per unit costs, we're optimistic that the final measures may be reduced or revised. Regardless, we're fully prepared to manage any impact - actively exploring supply chain strategies to protect margins and appropriately including potential tariffs in our financial forecasts and modelling for future orders. We're also confident that our growing digital revenue streams, such as our newly launched Cardiology Report, and our optimised business base (see below), will continue to strengthen our overall business resilience and enable us to overcome these challenges

In addition, we still have a significant number of chips for the Pulse in stock, as well as ATCOR inventory that will be sufficient for expected sales through June 26.

Therapeutic Goods Administration (TGA)

We are also excited to announce that post-quarter (April, 21) Cardiex and Andon finalised a Market Agreement in respect of the completion of regulatory requirements with the Therapeutic Goods Administration (TGA) in Australia. As a result, we expect to be lodging with the TGA for inclusion in the Australian Register of Therapeutic Goods (ARTG) early in May, 2025. Upon inclusion in the ARTG we would expect to quickly roll out the Pulse in Australia together with access to the CONNEQT app.

Conferences and Events

During the quarter the Company attended and presented at the following events:

- NextMed Health Conference - March 3rd, where Chief Strategy Officer, Catherine Liao presented on the topic "Hiding in Plain Sight: NextGen Heart Risk Assessment" to over 300 physicians and healthcare executives.

Post quarter events include:

- XTalks Webinar on Vascular Phenotyping: A New Paradigm in Drug Development, presented by Cardiex Chief Clinical Officer, Dr. Sanjeev Bhavnani - April 14th.
- DIA (Drug Information Association) Global Conference, Washington DC - June 15-19.

Streamlining Operations Update

Cardiex has made substantial progress in its operational restructuring, successfully centralizing its engineering and development teams from the U.S. and other offshore locations to Sydney. This initiative, along with other ongoing efforts to optimize and streamline global operations, has reduced the company's cost base by 30%, resulting in annualized cost savings of approximately \$4.7 million (around \$0.4 million per month) based on the FY25 year-to-date run rate, which is down from approximately \$17 million in FY24 to a new annual expense base of about \$10 million.

These cost efficiencies are already contributing positively to cash flow in Q4, with full benefits expected to be realized in Q1 FY26.

With a more efficient operational structure, Cardiex is now well-positioned to capitalize on expected growth in CONNEQT Pulse sales, digital and recurring revenue streams, and increased demand in the research and pharmaceutical markets. Additionally, the centralized model mitigates exposure to tariffs and other geopolitical risks.

Internal forecasts suggest that, subject to certain assumptions, Cardiex is on track to achieve positive EBIT at projected revenues of ~\$12 million, including anticipated CONNEQT Pulse sales of 12,000 units.

Corporate Update

(a) Cash and Expenditure

During the quarter, revenue in traditional medical markets was \$0.66m. Revenue from CONNEQT Pulse sales was \$0.25m (representing the first 2.5 months of sales since launch). Cash receipts from customers was \$1.17m.

During the quarter, Cardiex spent \$0.41m on product development and operating costs on new and existing products, an increase of \$0.06m on the prior quarter expenditure of \$0.35m. R&D expenditure totalled \$0.43m, a decrease of \$0.28m on the prior quarter's expenditure of \$0.71m.

Administration and corporate costs totalled \$0.86 for the quarter, an increase of \$0.56m on the prior quarter expenditure of \$0.30m.

Net cash used in operating activities for the quarter totalled \$2.06m, a decrease of \$0.89m on the prior quarter, primarily due to the receipt of the Group's FY24 R&D tax incentive in the quarter.

Closing cash for the quarter was \$0.24m.

Payments to related parties and their associates in the quarter were \$0.46m and all related to remuneration for services under existing services agreements.

(c) Capital Raising

In April, C2 Ventures, the Company's lead shareholder, fully funded its \$250,000 commitment to the December 2024 capital raising. This funding was provided ahead of seeking shareholder approval, which will occur at a later Extraordinary General Meeting (EGM), separate from the one scheduled for May 9. By securing approval at this subsequent EGM, the company will be able to issue the shares after July 1 without the need for an expert's report, remaining within the regulatory framework and avoiding unnecessary costs.

In addition, C2 Ventures will provide some ongoing funding during Q4 and fully support any capital raising, with the intention to maintain its shareholding level.

We are working with our advisors and discussions are taking place with C2 Ventures and investors in Australia and the U.S., with the expectation that additional capital will be raised in Q4 that is sufficient to enable Cardiex to reach cash flow positive trading. Funds from any capital raising will be largely used for new device manufacturing, marketing and sales activities - and for commercial expansion, including scaling up supply chain operations for the CONNEQT Pulse.

(d) R&D Term Loan Facility

During the quarter, Cardiex received its 2024 R&D Tax Incentive refund totalling \$1.46m. The funds were used to fully repay its Working Capital Loan Facility with Mitchell Asset Management (MAM), and partially repay its R&D Term Loan Facility, reducing the principal of \$1.12m down to \$0.73m.

Post quarter end, Cardiex entered into a variation agreement with MAM with the following changes:

- An increase in the remaining facility limit, resulting in an additional drawdown of \$0.45m.
- A revised interest rate on the facility of 16% effective 1 April 2025.

Repayment of the remaining principal is secured by the 2025 R&D Tax Incentive Refund and due by 31 October 2025.

In Summary

Cardiex continues to build strong momentum across both its commercial and operational fronts. The successful launch of CONNEQT Pulse has driven early sales of approximately 3,000 units within just 2.5 months, supported by promising domestic and international demand. The release of the industry-first Cardiology Report within the CONNEQT App and integration with Apple Health mark important steps in expanding digital and recurring revenue streams, while establishing CONNEQT as a category-defining brand in arterial health. These developments support a growing sales run rate and strengthen the foundation for long-term, scalable revenue growth.

On the operational side, the consolidation of R&D and engineering into a centralized Sydney hub, as well as other operational efficiencies, has already delivered a 30% reduction in the Company's cost base, unlocking annualized savings of \$4.7 million. Combined with proactive mitigation strategies around U.S. regulatory delays and tariffs, and a resilient pipeline across research and pharma markets, Cardiex is well-positioned for sustainable growth. With internal projections pointing to positive EBIT at ~\$12 million in revenue and ~12,000 CONNEQT Pulse units sold, the company is entering FY26 with a streamlined business model, clear strategic focus, and a strong vision for category leadership in preventative cardiovascular care.

Finally, I encourage all shareholders and interested investors to follow us on Instagram @conneqthealth and to subscribe to our newsletter when prompted at www.conneqthealth.com to stay informed about our latest sales initiatives, marketing campaigns, and company updates.

Craig Cooper



Chief Executive Officer

Approved by the Board of Directors and Released by the Company Secretary

- ENDS -

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About Cardiex

Cardiex's mission is to increase longevity through medical technology advancements in vascular health. The Company's suite of products includes medical and home health devices and digital solutions for hypertension, cardiovascular disease, and other vascular health disorders - all based on the Company's market leading SphygmoCor® vascular biomarker technology. Cardiex is listed on the Australian Stock Exchange ("ASX:CDX").