



31 July 2025

ASX ANNOUNCEMENT (ASX:CBL)

QUARTERLY ACTIVITIES REPORT & APPENDIX 4C QUARTER ENDED 30 JUNE 2025

Highlights

- **Record year:** CBL delivered a record year, with unaudited sales revenue growing 15% to over \$6m and total revenue of more than \$7m.
- **US reimbursement code delivering:** Strong H2FY25 revenue growth in the US driven by HCPCS code adoption. Will underpin further growth in the US.
- **US distribution partnership finalisation nearing:** Discussions with multiple potential partners in the US — the Company's largest addressable market — are well advanced.
- **Neuro Elite Athletics (NeuroBounce®) launched in Australia:** Successfully delivered the program in Australia with all 5 athletes increasing their vertical jump height and one athlete up 14cm across the 4 weeks.
- **NeuroNode® Only distribution strategy building:** Continued success in the UK with the NN in the NHS being followed by active partnership discussions in Europe and the US.
- **NeuroStrip® software:** we're now collecting EMG labelled data from athletes and rehab facilities. Development team assessing implementation of AI solutions to drive automation.
- **Cash receipts up in FY25:** Cash receipts from customers were \$5.7m, up 8% over FY24.
- **NeuroStrip hardware:** Devices now being used in Australia and the US and clinical evaluation being undertaken in multiple areas.

Control Bionics Limited (ASX: CBL), is pleased to announce its Activity Report and Appendix 4C for the quarter ended 30 June 2025.

Commenting on the quarter, Control Bionics CEO, Jeremy Steele said:

"It's encouraging to report on a strong quarter and a record year for Control Bionics.

Consistency in NDIS approvals and the positive impact of the HCPCS code has led to strong revenue growth for Australia and the US.

Our NeuroNode Only strategy is gaining strong momentum with significant interest from distributors in multiple geographies. We believe the success we've had in the UK can be quickly replicated in other markets and committing to one or more partners in the biggest global market, the US, is close to finalisation.

With the NeuroStrip software and hardware now live in our key markets we are seeing validation of the efficacy of our solution and the unique position we have in the market.

The team remains committed to our strategy and are confident we can continue to deliver growth for the business.”

Operational Performance

(a) North America

- **Revenue for FY25 up 12% year on year:** driven by the HCPCS code approval from 1 October 2024.
- **Move to profitability:** A strong June saw the US operations deliver a positive operating EBITDA for the month, the first since operations commenced.
- **NeuroNode/Neurostrip:** Access to these technologies is now being actively pursued by distributors – key to our future growth strategy.
- **Strong Pipeline:** Even given a record quarter, the US pipeline remains the highest it has ever been.

(b) Australia

- **Record year for Australia:** Revenue for Australia grew 20% for FY25.
- **Significant ~\$1.2m pipeline:** Even given this strong growth, the Australian team has more than \$1.2m that is awaiting NDIS approval.
- **NeuroStrip:** The Australian team now working with multiple groups who are using the NeuroStrip for a variety of clinical purposes.

(c) Japan

- **Growth in Japan:** Revenue up for FY25 over FY24 as the market becomes more familiar with how our technology delivers meaningful improvement for customers.
- **Corporate/wholesale:** We are actively progressing strategic partnerships to accelerate distribution and extend our commercial reach — particularly for NeuroNode and NeuroStrip.

(d) Other markets

- **United Kingdom:** Multiple roadshows with NHS hubs have proved highly effective with the NeuroNode becoming the 'go to' device in the UK for patients with profiles that have been successful in the US and Australia.
- **Europe:** Multiple European geographies now trialling the NeuroNode with further distribution agreements expected to be signed during the course of FY26.

(e) NeuroBounce – Building Sports Performance Revenue

- **First Australian customer success:** Very strong results from the first athletes in Australia.
- **US business development:** NeuroBounce US working through rollout and contract negotiations with 4 groups in the US. Signing imminent on a number of these.

(f) NeuroStrip

- **Product released:** Customer trials currently underway in clinical and sports performance settings in Australia and the US.
- **Data capture:** With customers and trialists now using our cloud platform across multiple markets we are collecting labelled EMG data and commencing trials with AI driven analysis to assess how we use the latest technologies to continuously improve our technology and the outcomes for users.

Quarterly cashflows and cash at bank

The Group's results reflect the following:

- Customer receipts totalled \$1.35 million, maintaining consistent performance across Australia and the U.S.
- Second instalment of the ALS grant funding and U.S. tax credits received during the quarter totalling USD\$280k.
- Final cash payments of USD\$91k were made for the strategic investment in Neuro Elite Athletics during the quarter.
- \$595k cash at bank at 30 June 2025, with a short-term R&D loan for \$450k secured after the quarter end to support near-term working capital.
- Cost containment initiatives remain in place across the business, with disciplined expense management expected to support further improvements in the Company's cash position.

Strategic Focus for 2026

Control Bionics is focused on **five key strategic priorities** and ensuring the Company has sufficient cash and other resources in **FY26**:

- **Achieve profitability in core markets** – Strengthening the **U.S., Australia, and Japan operations** to ensure each market achieves **EBITDA and cash flow positivity**.
- **Scaling the NeuroNode Business** – Expanding **NeuroNode-only sales** across key regions with key strategic distribution relationships.
- **NeuroStrip Expansion** – Driving adoption in **sports science, rehabilitation, and health diagnostics**.
- **Accelerating Growth** – Identifying strategic **partnerships, acquisitions, and licensing opportunities** to more rapidly scale the business.
- **Building a High-Performance Organisation** – Strengthening leadership, operations, and execution to support sustainable long-term growth.

ASX Additional information

Expenditure on business activities

Pursuant to Listing Rule 4.7C.1, a summary of the expenditure incurred on the above business activities for the quarter:

Expenditure Category	Amount \$'000
Staff costs	1,379
Product manufacturing	857
Administration and corporate	232
Research and development	46
Advertising and marketing	88

Related Party Payments

Related party payments as noted in Item 6.1 of the Appendix 4C comprise a total amount of \$149,450 paid to Executive Directors and their related parties and Board fees to Non-Executive Directors.

This ASX announcement has been approved for release by the Board of Directors of Control Bionics Limited.

About Control Bionics:

Control Bionics is a medical device company assisting patients whose ability to communicate verbally or via text and social media is compromised by illnesses such as Motor Neurone Disease (MND) and Amyotrophic Lateral Sclerosis (ALS).

About NeuroNode

Our core patented NeuroNode technology is a wireless wearable device that detects minute signals sent from the brain to any skeletal muscle and is captured as EMG (Electromyography) output. This output is then sent wirelessly via the NeuroNode to a personal computer, enabling speech and other computer-controlled functions like email and texting. Our technology is integrated with eye gaze technology whereby the eye gaze enables a cursor to be moved about a computer screen, driven much like a mouse, and the NeuroNode acts as like the mouse button. Control Bionics is the only such product to harness three modalities – touch, eye and NeuroNode control – which combined yield unique benefits in terms of the ability of patients to express themselves with significantly faster speed and less fatigue.

About DROVE

Control Bionics recently extended its offering to mobility with the launch of DROVE – the autonomous wheelchair module. DROVE allows powered users the independence to operate their wheelchairs in their own homes for the first time. DROVE recently got approved by the TGA as a Class I medical device.

About NeuroStrip

Control Bionics is currently commercialising its most recent advancement in its technology, the NeuroStrip. This wearable, miniaturised EMG device provides the business with the opportunity

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to enter new markets such as health diagnostics, sports performance and rehabilitation to name only a few potential markets.

Control Bionics has a 20% investment in Neuro Elite Athletics to drive rapid growth of their NeuroBounce program in the US and Australia

Control Bionics operates in North America, Australia, Singapore and Japan.

Investors and Media

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Control Bionics Limited

ABN

45 115 465 462

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows	Current quarter (\$A'000)	Year to date (12 months) (\$A'000)
1. Cash flows from operating activities		
1.1 Receipts from customers	1,354	5,736
1.2 Payments for		
(a) research and development	(46)	(276)
(b) product manufacturing and operating costs	(857)	(3,285)
(c) advertising and marketing	(88)	(395)
(d) leased assets	(6)	(17)
(e) staff costs	(1,379)	(6,012)
(f) administration and corporate costs	(232)	(1,405)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	10
1.5 Interest and other costs of finance paid	(8)	(54)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	441	1,180
1.8 Other (provide details if material) ¹	-	-
1.9 Net cash from / (used in) operating activities	(820)	(4,518)

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2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	(144)	(333)
	(c) property, plant and equipment	-	(6)
	(d) investments	-	(78)
	(e) intellectual property	(10)	(114)
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(154)	(531)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	5,442
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(181)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(74)	(665)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(74)	4,596

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,659	1,058
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(820)	(4,518)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(154)	(531)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(74)	4,596
4.5	Effect of movement in exchange rates on cash held	(16)	(10)
4.6	Cash and cash equivalents at end of period	595	595

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	595	1,659
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	595	1,659

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	149
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7.	Financing facilities Note: the term “facility’ includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	Total facility amount at quarter end \$A’000	Amount drawn at quarter end \$A’000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (Insurance Funding Arrangement) – see below	(95)	(95)
7.4	Total financing facilities	(95)	(95)
7.5	Unused financing facilities available at quarter end		-
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>On 17 February 2025, Control Bionics Limited reactivated an insurance funding arrangement with Attvest Finance ("Attvest") whereby Attvest provide funding to renew policies. The outstanding balance of the insurance funding facility is \$94,941 as at 30 June 2025. Interest is payable at a rate of 4.33% and the funding facility is due for repayment on or before 31 December 2025.</p> </div>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(820)
8.2	Cash and cash equivalents at quarter end (item 4.6)	595
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	595
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	.7
<p><i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i></p>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	<p>Answer:</p> <p>No. The Company expects continued improvement in net operating cash flows. Preliminary unaudited results for FY25 indicate an approximate 15% increase in operating revenue compared to the prior year. Customer receipts have strengthened, particularly in Australia and the U.S., supported by improved NDIS approval timeframes and growth in international sales.</p> <p>The quarter's net operating cash outflows were lower than in prior periods, in part due to the receipt of the second instalment of the ALS Association grant and U.S. tax credits. These items are not expected to recur each quarter, and therefore Q4 FY25 may reflect a more favourable cash result than a typical quarter. Nonetheless, the Company expects further improvement in underlying cash flows through continued revenue growth, NeuroNode-only distribution, SaaS licensing, and commercial activity across its core and emerging markets.</p>	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	<p>Answer:</p> <p>Yes. Shortly after the end of the quarter, the Company entered into a short-term loan facility secured against its anticipated R&D tax incentive refund, providing immediate working capital support. In addition, CBL continues to monitor its capital requirements closely and maintains regular engagement with investors. The Company believes it would be able to raise further equity or debt funding if required to underpin its growth and liquidity needs.</p>	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	<p>Answer:</p> <p>Yes. The Company expects to continue its operations and meet its business objectives based on its improving full-year revenue performance, diversified income streams, prudent cost management, and additional liquidity secured after year-end. These factors, together with the Company's ability to access capital markets if necessary, provide a sound basis to support its commercial and strategic objectives.</p>	
<p><i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i></p>		

Compliance statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Date: *31 July 2025*

Authorised by: By the Board

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