

CONTROL BIONICS

4 October 2024

SIGNIFICANT INCREASE IN REVENUE FROM FASTER NDIS APPROVALS AND LAUNCH OF NEW LEASING PROGRAMS

Control Bionics Limited (ASX: CBL) is pleased to report a significant improvement in NDIS approvals alongside the successful launch of our long-term leasing program for the Trilogy system.

Strong NDIS Approval Momentum

Following a challenging period marked by industry-wide delays in NDIS approvals since late 2023, we are pleased to report a significant and steady increase in approvals over the past eight weeks. During this time, we have received approvals totalling close to \$400,000, reflecting growing momentum in the approval process. These approvals will be recognised as revenue as devices are shipped to our customers. This \$400,000 in approvals totals more than CBL received from the NDIS over the previous 5 months. Our team has continued to grow the pipeline of opportunities, with nearly \$1.0 million currently awaiting approval from the NDIS or expected to be submitted shortly. We have been really encouraged by the level of engagement we've had with the NDIS and are confident we will see continued approvals from the Agency in the coming months.

Launch of New Leasing Programs for Trilogy and NeuroNode in Australia

We recently launched in Australia a long-term leasing program for our Trilogy system, designed to help individuals with neurodegenerative conditions gain quicker access to vital communication technology. This flexible program allows our customers to lease the device for 12 months at a lower cost than purchasing outright. The equipment will remain owned by Control Bionics. This program has been well received, and the NDIS has already approved our first submitted application under this new offering. This marks a positive response from the NDIS and validates the effectiveness of our leasing initiative. Additionally, we are preparing to launch a similar leasing program for our NeuroNode product, further expanding the range of funding options for our customers.

Rights Issue Update

Control Bionics is currently conducting a pro rata non-renounceable rights issue to raise up to \$2.1 million. The issue offers shareholders one new ordinary share for every seven held at an issue price of 7c per share, with one option for every two shares, exercisable at 10c within two years. The rights issue is underwritten for ~\$890,000 and will support the commercialisation of the NeuroStrip, the launch of DROVE, and the expansion of the NeuroNode Only strategy.

In parallel to the Rights Issue, CBL successfully received subscriptions for \$1.15m in new shares on the same terms as the rights issues. This placement will complete subject to shareholder approval at CBL's AGM on 10 October 2024.



Research and Development Tax Incentive

Control Bionics is pleased to announce it recently received a Research and Development Tax Incentive of \$736,794 for the financial year ended 30 June 2024. This amount is consistent with that disclosed in the Annual Report lodged with the ASX. The debt facility with Radium Capital has been repaid leaving a residual amount of \$288,587.

This announcement is authorised by CBL CEO Jeremy Steele.

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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). 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.

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.

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

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

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