

1 Company information

Name of Entity	Control Bionics Limited
ABN	45 115 465 462
Reporting Period	For the year ended 30 June 2025
Previous Corresponding Reporting Period	For the year ended 30 June 2024

2 Results for announcement to the market

Revenues from ordinary activities	Up	14.84%	to	\$ 6,144,907
Loss from ordinary activities after tax attributable to the owners of Control Bionics Limited	Up	3.30%	to	(6,108,667)
Loss for the year attributable to the owners of Control Bionics Limited	Up	3.30%	to	(6,108,667)

Dividends

There were no dividends paid, recommended or declared for the current financial year.

Comments

The loss for the Group after providing for income tax amounted to \$6,108,667 (30 June 2024: \$5,913,779).

3 Net tangible assets

	30 June 2025 Cents	30 June 2024 Cents
Net tangible assets per ordinary security	0.49	0.93

4 Control gained over entities

Not applicable

5 Loss of control over entities

Not applicable

6 Details of associates and joint venture entities

Name of associate / joint venture	Principal activities	Ownership interest at reporting date (%)	Ownership interest at previous reporting date (%)	Contribution to net profit (loss) after tax	Other comprehensive income
NeuroElite Athletics, LLC	Sports Performance	20%	-%	\$(58,076)	\$—

7 **Audit**

This report should be read in conjunction with the unaudited preliminary financial statements attached. The financial statements in the preliminary financial statements are in the process of being audited. Consistent with the prior year, the audited financial statements are likely to include an emphasis of matter related to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

8 **Attachments**

Details of attachment (if any):

Unaudited preliminary financial statements for year ended 30 June 2025 are attached.

9 **Signed**



Samuel F. Straface, Chairman

As authorised by the Board of Directors

Date: 29 August 2025

Control Bionics Limited
Condensed consolidated statement of profit or loss and other comprehensive income (unaudited)
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue		6,144,907	5,350,774
Other income		895,295	1,004,594
Expenses			
Raw materials and consumables used		(2,031,466)	(1,454,121)
Employee benefits expense		(6,061,413)	(5,449,029)
Research & development costs (non-staff)		(1,067,359)	(1,714,851)
Depreciation and amortisation expense		(986,458)	(843,191)
Corporate travel		(629,065)	(586,837)
Professional fees		(413,560)	(724,598)
Marketing and promotion		(413,797)	(460,674)
Legal fees, patents and insurance		(288,114)	(258,572)
General and administrative expense		(836,856)	(217,268)
Bad debt expense		(232,886)	(414,089)
Foreign exchange (loss)/gain		(10,769)	4,172
Impairment loss arising from other assets		(10,077)	(93,806)
Finance costs		(108,973)	(56,283)
Share of net losses of investments accounted for using the equity method	4	(58,076)	-
Loss before income tax expense		(6,108,667)	(5,913,779)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of Control Bionics Limited		(6,108,667)	(5,913,779)
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		3,459	(20,983)
Other comprehensive income/(loss) for the year, net of tax		3,459	(20,983)
Total comprehensive loss for the year attributable to the owners of Control Bionics Limited		(6,105,208)	(5,934,762)
		Cents	Cents
Basic loss per share	13	(2.31)	(3.71)
Diluted loss per share	13	(2.31)	(3.71)

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

Control Bionics Limited
Condensed consolidated statement of financial position (unaudited)
As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	2	594,733	980,760
Trade and other receivables	3	1,968,397	2,186,704
Inventories		409,644	404,150
Other assets		200,009	190,164
Total current assets		3,172,783	3,761,778
Non-current assets			
Investments accounted for using the equity method	4	341,000	-
Property, plant and equipment	5	644,531	851,698
Intangibles	6	3,875,219	4,047,007
Right-of-use assets	7	199,423	366,827
Total non-current assets		5,060,173	5,265,532
Total assets		8,232,956	9,027,310
Liabilities			
Current liabilities			
Trade and other payables	8	2,013,718	1,567,488
Borrowings	9	94,941	517,136
Lease liabilities	7	206,857	108,437
Employee benefits		237,886	210,046
Total current liabilities		2,553,402	2,403,107
Non-current liabilities			
Lease liabilities	7	133,600	336,165
Employee benefits		37,229	20,330
Total non-current liabilities		170,829	356,495
Total liabilities		2,724,231	2,759,602
Net assets		5,508,725	6,267,708
Equity			
Issued capital	10	40,365,766	35,152,513
Reserves	11	530,782	394,351
Accumulated losses	12	(35,387,823)	(29,279,156)
Total equity		5,508,725	6,267,708

The above condensed consolidated statement of financial position (unaudited) should be read in conjunction with the accompanying notes

Control Bionics Limited
Condensed consolidated statement of changes in equity (unaudited)
For the year ended 30 June 2025

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	30,241,659	271,371	(23,365,377)	7,147,653
Loss after income tax expense for the year	-	-	(5,913,779)	(5,913,779)
Other comprehensive loss for the year, net of tax	-	(20,983)	-	(20,983)
Total comprehensive loss for the year	-	(20,983)	(5,913,779)	(5,934,762)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	4,910,854	-	-	4,910,854
Share-based payments	-	136,963	-	136,963
Options issued in lieu of payment	-	7,000	-	7,000
Balance at 30 June 2024	35,152,513	394,351	(29,279,156)	6,267,708
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	35,152,513	394,351	(29,279,156)	6,267,708
Loss after income tax expense for the year	-	-	(6,108,667)	(6,108,667)
Other comprehensive income for the year, net of tax	-	3,459	-	3,459
Total comprehensive income/(loss) for the year	-	3,459	(6,108,667)	(6,105,208)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (Note 10)	5,213,253	-	-	5,213,253
Share-based payments	-	123,872	-	123,872
Options issued in lieu of payment	-	9,100	-	9,100
Balance at 30 June 2025	40,365,766	530,782	(35,387,823)	5,508,725

The above condensed consolidated statement of changes in equity (unaudited) should be read in conjunction with the accompanying notes

Control Bionics Limited
Condensed consolidated statement of cash flows (unaudited)
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		5,938,272	5,321,759
Payments to suppliers and employees (inclusive of GST)		(11,048,215)	(10,975,225)
Receipts from government grants		852,106	785,668
Interest received		36,672	12,183
Interest and other finance costs paid		(48,155)	(56,283)
Net cash used in operating activities		(4,269,320)	(4,911,898)
Cash flows from investing activities			
Payments for property, plant and equipment		(302,327)	(398,337)
Payments for intangible assets		(139,660)	(74,750)
Payments for investments accounted for using the equity method	4	(338,132)	-
Proceeds from sale of shares		35,337	-
Net cash used in investing activities		(744,782)	(473,087)
Cash flows from financing activities			
Proceeds from issue of shares	10	5,406,223	5,094,273
Proceeds from borrowings		232,737	648,449
Share issue transaction costs	10	(192,970)	(114,476)
Repayment of borrowings		(654,932)	(131,313)
Repayment of lease liabilities		(164,963)	(47,496)
Net guarantee paid on new lease arrangements		-	(21,738)
Net cash from financing activities		4,626,095	5,427,699
Net (decrease)/increase in cash and cash equivalents		(388,007)	42,714
Cash and cash equivalents at the beginning of the financial year		980,760	935,503
Effects of exchange rate changes on cash and cash equivalents		1,980	2,543
Cash and cash equivalents at the end of the financial year	2	594,733	980,760

The above condensed consolidated statement of cash flows (unaudited) should be read in conjunction with the accompanying notes

Note 1. Operating Segments

Identification of reportable operating segments

Segment information is based on the information that management uses to make decisions about operating matters and allows users to review operations through the eyes of management. Operating segments represent the information reported to the chief operating decision makers (CODM), being the executive management team, for the purposes of resource allocation and assessment of segment performance.

The Group has identified operating segments applicable to the sale of assistive communications technology systems within the disability sector. The reported loss for the combined segments within the sector before income tax is \$6,108,667 for the year (2024 loss: \$5,913,779).

The segment currently has two functioning operations in two geographical locations: Australia and North America, market exploration in alternate geographical locations including Japan, a corporate function in addition to a substantial Research and Development program. This is consistent with the internal reporting provided to the CODM and is aligned to the one major revenue stream.

The CODM reviews EBITDA (earnings before interest, tax, depreciation, and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in these financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services

The principal products and/or services of each of the geographical locations within the operating segment are as follows:

Australia (Aust)	Sales of systems related units and components in Australia
North America (US)	Manufacture and sales of systems units and components in North America
Japan and other markets	Activities undertaken to establish viable and additional operating markets, but not yet determined to be a material market segment in their own right.
R&D (R&D)	Research activities undertaken in regards to the Group's products.
Corporate	The provision of support, regulatory and infrastructure activities, and elimination entries above the EBITDA line.

	Aust	US	Japan and other markets	R&D	Corporate	Total
	\$	\$	\$	\$	\$	\$
2025						
Revenue and income	1,256,330	5,684,688	125,185	724,633	(750,634)	7,040,202
Expenses*	(1,845,485)	(7,523,477)	(262,100)	(2,026,943)	(327,280)	(11,985,285)
EBITDA	(589,155)	(1,838,789)	(136,915)	(1,302,310)	(1,077,914)	(4,945,083)
Interest						(108,973)
Depreciation						(986,458)
Impairment of assets						(10,077)
Share of associates losses						(58,076)
Loss before income tax for the period						(6,108,667)
Income tax expense						-
Loss after income tax expense for the period						(6,108,667)

Control Bionics Limited
Notes to the condensed consolidated financial statements (unaudited)
30 June 2025

Note 1. Operating Segments (continued)

	Aust \$	US \$	Japan and other markets \$	R&D \$	Corporate \$	Total \$
2024						
Revenue and income	1,086,448	4,962,722	59,950	952,134	(705,886)	6,355,368
Expenses*	(1,313,449)	(7,177,583)	(226,670)	(2,501,129)	(57,036)	(11,275,867)
EBITDA	<u>(227,001)</u>	<u>(2,214,861)</u>	<u>(166,720)</u>	<u>(1,548,995)</u>	<u>(762,922)</u>	<u>(4,920,499)</u>
Interest						(56,283)
Depreciation						(843,191)
Impairment of assets						(93,806)
Loss before income tax for the period						<u>(5,913,779)</u>
Income tax expense						-
Loss after income tax expense for the period						<u>(5,913,779)</u>

*Interest, Depreciation, Amortisation and Impairment are excluded from expenses in the above schedule due to joint use between segments of certain assets and expense components.

Segment assets and liabilities

The internal management reporting presented to key business decision makers report total assets and liabilities on the basis consistent with that of the consolidated financial statements. These reports do not allocate assets and liabilities based on the operations of each segment or by geographical location.

Under the current management reporting framework, total assets are not reviewed to a specific reporting segment or geographical location.

Note 2. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank	<u>594,733</u>	<u>980,760</u>

Note 3. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	174,629	112,620
Trade receivables - subject to variable consideration	<u>1,224,337</u>	<u>1,164,414</u>
Net carrying value of trade receivables	<u>1,398,966</u>	<u>1,277,034</u>
Government grants receivable (R&D tax incentive)	474,160	784,322
Office deposit bond	77,924	77,924
GST refundable	<u>17,347</u>	<u>47,424</u>
Total trade and other receivables	<u>1,968,397</u>	<u>2,186,704</u>

Control Bionics Limited
Notes to the condensed consolidated financial statements (unaudited)
30 June 2025

Note 4. Investments accounted for using the equity method

	2025 \$	2024 \$
Investments in associates	341,000	-

On 16 December 2024, Control Bionics Limited, through its wholly owned subsidiary Control Bionic Ngage Inc., acquired a 20% stake in Neuro Elite Athletics, LLC, the US-based company behind the NeuroBounce program, for approximately US\$260,000 including cash and in-kind contributions. Per the agreement, payments and contributions were to be made in tranches as follows:

- the first tranche payment of US\$100,000 was made on 14 December 2024.
- the second and final tranche payment of US\$111,100 to be made within 6 months of 14 December 2024, upon Neuro Elite Athletics, LLC providing Control Bionics 20 business days' notice to pay.
- Control Bionics to provide Neuro Elite Athletics, LLC certain equipment and resources with a deemed value of US\$50,000 on an as needed basis.

As of 30 June 2025, all cash payments have been made and approximately US\$10,000 of the equipment and resources have been provided.

Note 5. Property, plant and equipment

	2025 \$	2024 \$
Trial and demonstration equipment - at cost	1,587,870	1,681,054
Less: Accumulated depreciation	(1,006,276)	(906,885)
	581,594	774,169
Leasehold improvements - at cost	42,241	41,769
Less: Accumulated depreciation	(27,128)	(18,285)
	15,113	23,484
Plant and equipment - at cost	210,168	189,822
Less: Accumulated depreciation	(163,961)	(135,777)
	46,207	54,045
Assets under construction	1,617	-
	644,531	851,698

Control Bionics Limited
Notes to the condensed consolidated financial statements (unaudited)
30 June 2025

Note 6. Intangibles

	2025	2024
	\$	\$
Intellectual property - at cost	4,064,353	4,064,353
Less: Accumulated amortisation	(393,318)	(131,106)
	<u>3,671,035</u>	<u>3,933,247</u>
Patents and trademarks - at cost	244,224	104,564
Less: Accumulated amortisation	(70,606)	(31,489)
	<u>173,618</u>	<u>73,075</u>
Software - at cost	50,594	50,594
Less: Accumulated amortisation	(20,028)	(9,909)
	<u>30,566</u>	<u>40,685</u>
	<u>3,875,219</u>	<u>4,047,007</u>

Note 7. Leases

Right-of-use assets

	2025	2024
	\$	\$
Land and buildings - right-of-use	551,068	548,966
Less: Accumulated depreciation	(351,645)	(182,139)
	<u>199,423</u>	<u>366,827</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	2025	2024
	\$	\$
Balance at the beginning of the financial year	366,827	123,359
Additions	-	363,008
Depreciation expense	(168,511)	(119,630)
Exchange differences	1,107	90
Balance at the end of the financial year	<u>199,423</u>	<u>366,827</u>

Lease Liabilities

	2025	2024
	\$	\$
<i>Current</i>		
Lease Liabilities	<u>206,857</u>	<u>108,437</u>
<i>Non Current</i>		
Lease Liabilities	<u>133,600</u>	<u>336,165</u>
Total carrying amount of lease liabilities	<u>340,457</u>	<u>444,602</u>

Maturity analysis of committed lease payments

Control Bionics Limited
Notes to the condensed consolidated financial statements (unaudited)
30 June 2025

Note 7. Leases (continued)

	2025 \$	2024 \$
Less than one year	241,797	165,024
One to five years	138,799	380,500
Total committed cash payments	380,596	545,524

Note 8. Trade and other payables

	2025 \$	2024 \$
Trade payables	877,776	609,667
Other current liabilities	510,603	411,891
Deferred revenue	274,104	315,523
Payroll and bonus accruals	251,435	166,724
Other taxes payable	99,800	63,683
	2,013,718	1,567,488

Note 9. Borrowings

	2025 \$	2024 \$
Insurance funding arrangement	94,941	87,542
Research & Development loan	-	429,594
	94,941	517,136

Total secured liabilities

The total secured liabilities are as follows:

	2025 \$	2024 \$
Research and Development loan	-	429,594

Terms of borrowings

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 this funding facility is \$94,941 at year end. Interest is payable at a rate of 4.3% and the funding facility is due for repayment on or before 31 December 2025.

The research and development loan, held with Radium Capital, was repaid in full during September 2024.

Note 10. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	294,611,102	199,286,776	40,365,766	35,152,513

Control Bionics Limited
Notes to the condensed consolidated financial statements (unaudited)
30 June 2025

Note 10. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance at the beginning of the period		199,286,776		35,152,513
Private Placement	15/08/2024	10,000,000	\$0.0525	525,000
Rights issue	11/10/2024	9,938,489	\$0.0700	695,694
Rights issue	16/10/2024	16,428,722	\$0.0700	1,150,011
Rights issue	16/10/2024	11,904,369	\$0.0700	760,856
Shortfall shares	20/12/2024	4,428,571	\$0.0700	310,000
Private placement	25/02/2025	42,624,175	\$0.0450	1,964,662
Less: Transaction costs				(192,970)
Balance at the end of the period		<u>294,611,102</u>		<u>40,365,766</u>

The Group also issued 21,350,125 options to non-renounceable rights holders with an exercise price of \$0.10.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position (unaudited), plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise funds for working capital or when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of investment.

Note 11. Reserves

	2025 \$	2024 \$
Foreign currency translation reserve	72,449	68,990
Share option reserve	<u>458,333</u>	<u>325,361</u>
	<u>530,782</u>	<u>394,351</u>

Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising from translating non-monetary assets and liabilities at the current rate at the end of the financial period rather than at historical rates.

Control Bionics Limited
Notes to the condensed consolidated financial statements (unaudited)
30 June 2025

Note 11. Reserves (continued)

Share options reserve

The option reserve relates to share options granted by the Group to its employees under the arrangements outlined in Note .

Movements in reserves

Movements in each class of reserve during the current financial year are set out below:

	Foreign currency translation reserve \$	Share option reserve \$	Total \$
Balance at 1 July 2023	89,973	181,398	271,371
Exchange differences on translation of foreign operations	(20,983)	-	(20,983)
Share based payments	-	136,963	136,963
Options issued in lieu of payment	-	7,000	7,000
Balance at 30 June 2024	68,990	325,361	394,351
Exchange differences on translation of foreign operations	3,459	-	3,459
Share based payments	-	123,872	123,872
Options issued in lieu of payment	-	9,100	9,100
Balance at 30 June 2025	72,449	458,333	530,782

Note 12. Accumulated losses

	2025 \$	2024 \$
Accumulated losses at the beginning of the financial year	(29,279,156)	(23,365,377)
Loss after income tax expense for the year	(6,108,667)	(5,913,779)
Accumulated losses at the end of the financial year	(35,387,823)	(29,279,156)

Note 13. Earnings per share

	2025 \$	2024 \$
Loss after income tax attributable to the owners of Control Bionics Limited	(6,108,667)	(5,913,779)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	264,083,917	159,393,290
Weighted average number of ordinary shares used in calculating diluted earnings per share	264,083,917	159,393,290
	Cents	Cents
Basic loss per share	(2.31)	(3.71)
Diluted loss per share	(2.31)	(3.71)

The number of ordinary shares used in the calculation of diluted loss per share is the same as the number used in the calculation of basic loss per share in the year ended 30 June 2025 and the prior year ended 30 June 2024 as potential ordinary shares are not considered dilutive as a loss was incurred in both years.

Note 14. Matters subsequent to the end of the financial year

On 22 July 2025, the Company entered into a loan facility agreement with Phoenix Development Fund Limited for \$450,000. The loan is secured by the Company's R&D tax refund, is subject to 12% interest per annum, and is due and payable on the earlier of 6 months from the date of the agreement or the date on which the R&D refund is received.

On 28 August 2025, Control Bionics Limited announced a Non-Renounceable Rights Issue Offer (Offer) for 58,922,220 new shares at a price of \$0.035 per share. If fully subscribed, the Offer will raise up to approximately \$2.062 million (before costs). The Offer is underwritten to the extent of \$1,157,725 and is available to eligible shareholders on the record date of 2 September 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.