



28 January 2026

ASX ANNOUNCEMENT (ASX:CBL)

QUARTERLY ACTIVITIES REPORT & APPENDIX 4C QUARTER ENDED 31 DECEMBER 2025

Highlights

- **Significant capital raise:** Control Bionics secured new capital to support its stated growth initiatives, raising over \$3.8m (before costs).
- **NeuroNode® distribution strategy advancing:** On 27 January 2026, Control Bionics announced it had entered into a distribution partnership with Tobii, the world's largest provider of Augmentative and Assistive Communication (AAC) solutions. This was following trials and negotiations that took place in the final quarter of calendar 2025.
- **Apple BCI partnership:** Control Bionics announced that it had become one of the first organisations globally to integrate with Apple's BCI (Brain Computer Interface) protocol.
- **NeuroBounce Acquisition:** The Company completed the acquisition of Neuro Elite Athletics ('NeuroBounce') at the end of 2025. This will form the platform for our Sports Performance program in the US and beyond.
- **NeuroStrip® rollout continues:** The company has now engaged multiple organisations in the US and Australia in the use of this innovative technology, including the Australian Institute of Sport, Melbourne Victory, Ohio University, The Mayo Clinic, Mountain Land Physical Therapy and The Burrows Institute.
- **Scale manufacturing underway:** NeuroStrip device and consumable production commenced at scale in the December 2025 quarter to support growing demand.
- **Revenue and cash receipts:** Cash receipts totalled \$1.4m, flat versus the corresponding period in FY25. This is predominately due to issues with NDIS approvals in Australia. There are significant delays in the NDIS approving customer applications which is affecting the entire industry.

Control Bionics Limited (ASX: CBL), is pleased to announce its Activity Report and Appendix 4C for the quarter ended 31 December 2025.

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

We are pleased to report on a strategically important quarter for Control Bionics, marked by the successful execution of several key growth initiatives and the strengthening of our balance sheet to support the next phase of the Company's development.

During the quarter, the Company completed a significant capital raise, securing over \$3.8 million (before costs). This funding provides a strong foundation to advance our commercial, regulatory and manufacturing initiatives across our core product platforms and supports our stated growth strategy in both the United States and Australia.

The NeuroNode® distribution strategy continued to progress, with the Company completing trials and training programs with multiple organisations in the United States during the latter part of calendar 2025. Following the end of the quarter we announced our distribution partnership with Tobii, the global leader in AAC solutions. This continues our strategy to move from purely retail AAC to growing our business through distribution partnerships.

We were also proud to announce that Control Bionics became one of the first organisations globally to integrate with Apple's BCI protocol. This milestone reinforces our position at the forefront of non-invasive neurotechnology and opens new opportunities to leverage mainstream consumer platforms to improve accessibility and usability for end users.

At the end of December, the Company completed the acquisition of Neuro Elite Athletics ('NeuroBounce'). This acquisition establishes a dedicated platform for our Sports Performance program and provides a strong base from which to expand into elite sport, rehabilitation and broader performance markets in the US and internationally.

Momentum continued with the NeuroStrip® platform, with multiple organisations in the United States and Australia now actively utilising the technology across sports performance and rehabilitation settings. In parallel, we commenced scaled manufacturing of NeuroStrip devices and consumables during the quarter to support growing demand and improve supply certainty.

Cash receipts for the quarter totalled \$1.4 million, consistent with the corresponding period in FY25. Revenue was impacted by ongoing delays in NDIS approvals in Australia, an issue currently affecting the broader assistive technology sector. While these delays are frustrating, demand fundamentals remain strong and we continue to work closely with customers and stakeholders to navigate the approval environment.

Overall, the December quarter represents a period of meaningful strategic progress for Control Bionics, positioning the Company well for execution and growth as we move through calendar 2026.

Operational Performance

(a) North America

- **NeuroNode:** As well as our partnership with Tobii, Control Bionics continues to work with a number of other major US AAC providers to assess to opportunity to partner with them for distribution of the NeuroNode into the US.
- **NeuroBounce:** Acquisition completed at the end of the quarter and integration underway.
- **NeuroStrip:** Customer contracts and/or procurement agreements now signed with Mountain Health Land Physical Therapy, The Mayo Clinic and The Burrows institute. More customers in advanced discussions to commence use of this groundbreaking technology.

(b) Australia

- **NDIS Issues:** The NDIS backlog of approvals continues to grow. We've seen very low levels of approvals over the past few months with almost no rejections. We are working with our customers to assist them in highlighting the issues these significant delays cause people who need this technology.
- **Significant ~\$1.2m pipeline:** Our sales team continues to build the future pipeline with more than half of this pipeline with the NDIS for approval.
- **NeuroStrip:** With devices now more readily available we are accelerating our marketing efforts and to date have 10 customers, including the prestigious Australian Institute of Sport actively using the devices.

(c) Japan

The early results from the research being led by Stroke Lab on the effectiveness of the NeuroStrip has been extremely positive. We are hopeful that we can publish some early results by the middle of 2026.

(d) Other markets

Final approval from the German Hilfsmittelverzeichnis der gesetzlichen Krankenversicherung (HMV) for the funding of the NeuroNode is expected in Q1 2026.

(d) NeuroStrip

The Company is in the final stages of development of a number of new elements to our NeuroStrip platform, including:

- Refined user interface: allows for multiple platform use (iOS, Windows, Android), patient/athlete management, seamless 3rd party integrations
- Raw EMG: allows customers to consume raw EMG data for analysis, opens up opportunities for medical use cases to be explored
- AI tools now being embedded natively within the system to allow for more automated program delivery and analysis. This will allow our NeuroStrip application to immediately synthesise patient and athlete data for immediate feedback and improvement. Utilising the vast physiological data pool we are building to rapidly analyse an individual's activity is critical to delivering a time effective service through the NeuroStrip.

Quarterly cashflows and cash at bank

The Group's results reflect the following:

- Customer receipts of approximately \$1.4 million, reflecting continued sales activity across the Group's core markets.
- Net operating cash outflows of \$1.7 million, reflecting ongoing investment in staff, manufacturing, and commercial activities to support revenue growth.
- Net investing cash outflows of \$150,000, primarily comprising:
 - the final USD\$20,000 payment relating to a USD\$40,000 additional investment in Neuro Elite Athletics; and
 - expenditure on intellectual property, capital equipment and other investing activities.

- Net cash provided by financing activities of \$3.8 million, primarily reflecting equity funding received during the period, partially offset by related transaction costs and scheduled debt repayments.
- A closing cash balance of \$3.1 million at 31 December 2025.

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** which are all global substantial addressable markets.
- **Accelerating Growth** – Identifying strategic **partnerships, acquisitions, and licensing opportunities including opportunities arising from the Apple BCI partnership** 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	1,525
Product manufacturing	936
Administration and corporate	494
Research and development	69
Advertising and marketing	71

Related Party Payments

Related party payments as noted in Item 6.1 of the Appendix 4C comprise a total amount of \$140,387 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 that has more than 20 years' experience in the development and use of surface Electromyography (EMG) devices.

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 output. The 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 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 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.

Investors and Media

Jeremy Steele – CEO and Managing Director
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Brett Crowley - Company Secretary
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For further information visit the website: <https://www.controlbionics.com/>

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")

31 December 2025

Consolidated statement of cash flows	Current quarter (\$A'000)	Year to date (6 months) (\$A'000)
1. Cash flows from operating activities		
1.1 Receipts from customers	1,417	3,092
1.2 Payments for		
(a) research and development	(69)	(92)
(b) product manufacturing and operating costs	(936)	(1,683)
(c) advertising and marketing	(71)	(163)
(d) leased assets	(14)	(28)
(e) staff costs	(1,525)	(3,101)
(f) administration and corporate costs	(494)	(881)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	5
1.5 Interest and other costs of finance paid	(10)	(29)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	478
1.8 Other (provide details if material) ¹	-	(4)
1.9 Net cash from / (used in) operating activities	(1,700)	(2,406)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	(31)	(61)
	(c) property, plant and equipment	(62)	(115)
	(d) investments	-	-
	(e) intellectual property	(63)	(96)
	(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 (cash acquired on business acquisition)	6	6
2.6	Net cash from / (used in) investing activities	(150)	(266)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,851	5,311
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	(51)	(67)
3.5	Proceeds from borrowings	-	- 450
3.6	Repayment of borrowings	(25)	(557)
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	3,775	5,137

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,134	595
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,700)	(2,406)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(150)	(267)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,775	5,137
4.5	Effect of movement in exchange rates on cash held	(2)	(2)
4.6	Cash and cash equivalents at end of period	3,057	3,057

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	3,057	1,134
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)	3,057	1,134

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	140
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.

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	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end	-	
7.6	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.		
<div style="border: 1px solid black; width: 100%; height: 100%;"></div>			

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,700)
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,057
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	3,057
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.8
<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>The level of net operating cash outflows reported for the quarter reflects ongoing investment in the business to support revenue growth across its core markets. The December quarter did not include any material non-recurring operating cash receipts. While operating cash flows may continue to fluctuate in the near term, the Company expects underlying operating cash flows to improve over time as revenue continues to grow, supported by the rollout of the NeuroNode-only distribution model, expansion of SaaS licensing arrangements, and increasing commercial activity.</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>During the quarter, the Company received equity funding which strengthened its cash position. The Company continues to actively monitor its capital requirements and maintains flexibility to raise further equity or debt funding if required. The Company maintains regular engagement with investors and funding counterparties and believes it has the capacity to secure additional funding should it be necessary to support operations or strategic initiatives.</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 be able to continue its operations and meet its business objectives, supported by its cash balance at quarter end, continued revenue generation, disciplined cost management, and the Company's ability to access additional funding if required. These factors provide a reasonable basis for the continuation of operations and execution of the Company's 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: *27 January 2026*

Authorised by: By the Board