

ASX: CVB

28 February 2025

Appendix 4D Half Year Financial Statements Released Period Ended 31 December 2024

Executive Summary

- H1 FY25 revenue – \$4.91m, versus \$3.53m for the comparative period H1 FY24, up 39%.
- Purchase Orders (PO) – 13 POs (11 HiRise™) versus 7 (all HiRise™ e) in H1 FY24, up 85%.
- (Loss)/profit from ordinary activities after tax – (\$10.52m), versus (\$14.2m) for the comparative period H1 FY24, down 26%.
- Operating EBITDA (see table below) – (\$7.07m), versus (\$9.41m) for the comparative period H1 FY24, down 25%.
- Net cash used in operating activities – (\$7.48m), versus (\$12.68m) for the comparative period H1 FY24, down 41%.
- Cash at the end of H1 FY25 was A\$8.8m, with a further A\$6.0m of cash receipts expected in H2 FY25 from existing POs.
- The Company is still focused on meeting the target of validating the enhanced HiRise™ for a major robotic aided surgical system by the end of Q3 FY25

Melbourne, Australia & Hatfield, Pennsylvania: CurveBeam AI Limited (ASX: CVB, “CurveBeam AI” or the “Company”), a fully integrated developer and manufacturer of point-of-care specialised medical imaging (CT) equipment, supported by a targeted range of AI enabled SaaS-based clinical assessment solutions, is pleased to announce its Appendix 4D interim financial statements for the period ended 31 December 2024.

CurveBeam AI CEO Greg Brown said: “During the half year to 31 December 2024 the Company has been focused on carefully managing expenditure and cash utilisation, and filling the sales pipeline. The progress is well evidenced by the 85% increase in Purchase Orders in the period, up from 7 in the prior corresponding period to 13. From these POs approximately \$6 million of pending cash receipts were carried into the second half of the year from H1. The reduction in net cash used in operations is also a reflection on the efforts of the company to closely manage our cash. The Company continues to target the enhanced HiRise™ validation for a major robotic aided surgical system by the end of Q3 FY25. With this milestone we will be aiming at a step change in demand for the HiRise™.”

CurveBeam AI Profit & Loss

To facilitate a better understanding of the results for the half year ending 31 December 2024, and the comparatives to 31 December 2023, CurveBeam AI has provided a pro-forma profit and loss statement (pro-forma P&L) as set out below.

Profit & Loss Summary	H1 FY25 A\$'000	H1 FY24 A\$'000
Revenue	4,906	3,528
Cost of sales	(2,724)	(1,792)
Gross profit	2,182	1,736
Other income and expenses	822	631
Expenses - Operating		
Human resource expenses ^(a)	6,447	7,291
Consulting and professional fees ^(b)	1,100	1,558
Admin, insurance and IT expenses	727	810
Marketing expenses	620	782
Research and development external expenditure	239	480
Travel and entertainment expenses	513	468
Occupancy costs	98	86
Product and market registration expenses	97	78
IP costs	230	224
Total Operating Expenses ^(c)	10,071	11,777
Operating EBITDA ^(d)	(7,067)	(9,410)
Expenses - Non-Operating or Non-Cash		
Finance expenses	363	1,332
Depreciation and amortisation expense	1,500	1,379
Fair value of contingent consideration	(55)	6
Fair value of embedded derivatives	-	142
Share based payments ^(a)	1,644	1,400
Prof Fees - IPO ^(b)	-	497
Total Non-Operating or Non-Cash Expenses	3,452	4,756
Loss Before Income Tax Expense	(10,519)	(14,166)

N.B. Refer addendum for reconciliation to Appendix 4D

Commentary

- The prior period HR expenditure included one-off normalisation adjustments for the acquired US entity; the current period decrease in HR expenses includes reductions and deferral of staff hires, and the effects of a staff reorganisation concluded in late H1 FY25.
- Consulting and professional fees expense decreases in the half year due to reduction of contractor costs, or partial settlement via share based payments, made as a part of the strategy to conserve cash, along with non-recurring IT project fees in the comparative period.
- The reduction in R&D external expenditure related to costs incurred in FY24 for development and testing for the enhanced HiRise™.
- Below Operating EBITDA, the H1 FY24 comparative period included a number of one-off expenses related to the Company's IPO and conversion of Convertible Notes which were non-

recurring in nature. H1 FY25 does not include similar material one-off expenditure outside higher share based payments through cash conservation initiatives. A reconciliation of the tables above to the Appendix 4D is included as an addendum to this release.

Capital Management & Balance Sheet

As announced in the Q1 quarterly update, the Company completed a reorganisation in late October 2024.

Management and the Board continue to limit cash utilisation, and are driving the maximisation of receipts from customers from direct sales while the validation of the HiRise™ for use with robot assisted surgeries is completed.

The investment in inventory at 31 December 2024 was \$13.28m, up by \$2.52m from the balance at 30 June 2024. The Company expects to release cash from Inventory in H2 FY25 as devices are sold.

Cash at 31 December 2024 was \$8.85m, as previously reported in the Appendix 4C in January.

Definitions

As previously noted, CurveBeam AI's key metrics are defined and interpreted as follows:

- Purchase order – a signed purchase order (PO) for a CT scanner (device). The Company considers POs to be a key metric as it reflects actual sales at any given time.
- Receipts from customers – any cash consideration received from a customer by CurveBeam AI. This can include initial deposits required at the time of an order being placed.
- Revenue – Revenue is recognised after the device (e.g., HiRise™) is delivered, installed and training has been completed. Depending on the customer site requirements, there can be several months' delay from a signed purchase order to recognition of revenue. Thus, revenue may not be reflective of sales progress in each period.

Release approved by the Board of Directors.

About CurveBeam AI Limited

CurveBeam AI (ASX:CVB) develops, manufactures and sells specialised medical imaging (CT) scanners, coupled with AI SaaS-based clinical assessment solutions, to support medical practitioners in the management of musculoskeletal conditions. The Company's flagship CT scanner, HiRise™, performs weight bearing CT scans as well as traditional non weight bearing CT scans, providing a range of advantages over the use of traditional CT or MRI devices. CurveBeam AI has more than 70 employees with its corporate office, AI and IP functions located in Melbourne, VIC, Australia and global operations headquarters in Hatfield, Pennsylvania, USA.

For further information go to <https://curvebeamai.com>

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Addendum

- a) Human resource expenses reconciles to the Appendix 4D as follows:

	H1 FY25 A\$'000	H1 FY24 A\$'000
Human resources expenditure per this announcement	6,447	7,291
<i>Add:</i>		
Share based payment expenses	1,644	1,400
Human resource expenditure per the Appendix 4D	8,091	8,691

- b) Consulting and professional fees as per the Appendix 4D includes the merger and IPO costs as follows:

	H1 FY25 A\$'000	H1 FY24 A\$'000
Consulting and professional fees as per this announcement	1,100	1,558
<i>Add:</i>		
Prof Fees - IPO	-	497
Consulting and professional fees as per the Appendix 4D	1,100	2,055

- c) "Total Operating Expenses" and "Total Non-Operating or Non-Cash Expenses" are non-IFRS measures, which reconciles to total expenses as per the Appendix 4D as follows:

	H1 FY25 A\$'000	H1 FY24 A\$'000
Total operating expenses per this announcement	10,071	11,777
Total non-operating or non-cash expenses per this announcement	3,452	4,756
Total expenses per the Appendix 4D	13,523	16,533

- d) "Operating EBITDA" is a non-IFRS measure, which is used to reflect the operating loss of the Company before interest, tax, depreciation and amortisation, as well as prior to non-recurring or non-cash expenditure. This reconciles to the statutory loss per the Appendix 4D as follows:

	H1 FY25 A\$'000	H1 FY24 A\$'000
Operating EBITDA	(7,067)	(9,410)
<i>Less:</i>		
Finance expenses	363	1,332
Depreciation and amortisation expense	1,500	1,379
Fair value of contingent consideration	(55)	6
Fair value of embedded derivatives	-	142
Share based payments	1,644	1,400
Prof Fees - IPO	-	497
Statutory loss as per the Appendix 4D	(10,519)	(14,166)