



16 October 2018

## ASX ANNOUNCEMENT

### APPENDIX 4C – Quarter Ended 30 September 2018 (Q1 FY19)

**Brisbane, Australia** – ImpediMed Limited (ASX:IPD), a global provider of medical technology to non-invasively measure, monitor and manage tissue composition and fluid status using bioimpedance spectroscopy (BIS), today released its Appendix 4C – Quarterly Cash Flow report for the period ended 30 September 2018.

#### Revenue and Financial Performance Highlights:

- Company successfully building subscription-based SOZO<sup>®</sup> revenue pipeline, with \$5.9 million of SOZO<sup>®</sup> revenues contracted in less than one full year since US launch, of which \$4.7 million is Contracted Revenue Pipeline<sup>1</sup> remaining to be recognised over future periods (1-3 years);
- \$1.4 million in Total Contract Value<sup>2</sup> for SOZO<sup>®</sup> signed during the quarter;
- Annual Recurring Revenue<sup>3</sup> for SOZO<sup>®</sup> contracts grown to \$1.8 million as of 30 September 2018, up 38% from \$1.3 million as of 30 June 2018;
- Medical Revenue for the quarter of \$0.9 million;
- Net operating cash outflow for the quarter down 21% to \$4.5 million;
- Cash receipts from customers for the quarter of \$1.3 million, and cash on hand as of 30 September 2018, of \$27.2 million.

#### Other operational highlights include:

- First Patient Enrolled in 200 Patient Heart Failure Trial;
- SOZO<sup>®</sup> Abstract Presentations at Key Scientific Cardiology Meetings;
- Strong Initial Data from PREVENT Trial
  - Bioimpedance spectroscopy (BIS) and L-Dex<sup>®</sup> suggested as the new standard of care for cancer survivors at risk of developing lymphoedema at the first educational seminar presented by the Principal Investigator of the PREVENT trial – “Removing the Mystery Around Bioimpedance – Moving Towards a New Standard of Care”. The presentation was the first in a series of seminars to take place across the US and Australia and included top-line results from the interim analysis of the PREVENT trial.
  - PREVENT trial results published with outstanding initial data. The authors from the PREVENT trial concluded that L-Dex<sup>®</sup> is very sensitive in the assessment of sub-clinical lymphoedema in patients with a history of breast cancer. The paper also supports the recommendation for an aggressive measurement protocol consisting of an L-Dex<sup>®</sup> assessment every three months, especially during the first 6 to 12 months post-surgery to facilitate identification of sub-clinical lymphoedema.

<sup>1</sup> **Contracted Revenue Pipeline (CRP):** Future period revenue amounts related to TCV that are yet to be reported as recognised revenue.

<sup>2</sup> **Total Contract Value (TCV):** Total value of customer contracts including one-time and recurring revenue.

<sup>3</sup> **Annual Recurring Revenue (ARR):** The amount of revenue reasonably expected to be booked for the next 12-month period based on existing signed contracts, and assuming installation upon sale.

“We continue to successfully build our contracted revenue and our customer pipeline is significantly expanding as recognition of the clinical utility of our BIS technology and SOZO® becomes more widespread. Our revenue momentum is anticipated to accelerate over the coming quarters as we gain further presence in practice guidelines and obtain private payor support,” said Richard Carreon, Managing Director and CEO of ImpediMed.

**Richard Carreon**  
**Managing Director & CEO**

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**About ImpediMed**

Founded and headquartered in Brisbane, Australia with US and European operations, ImpediMed is the world leader in the design and manufacture of medical devices employing bioimpedance spectroscopy (BIS) technologies for use in the non-invasive clinical assessment and monitoring of tissue composition and fluid status.

ImpediMed produces a family of FDA cleared and CE Marked medical devices, including SOZO® for multiple indications including heart failure and lymphoedema, sold in select markets globally.

For more information, visit [www.impedimed.com](http://www.impedimed.com).

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

ImpediMed Limited

**ABN**

65 089 705 144

**Quarter ended ("current quarter")**

30 September 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,339	1,339
1.2 Payments for		
(a) research and development	(510)	(510)
(b) product manufacturing and operating costs	(417)	(417)
(c) advertising and marketing	(220)	(220)
(d) leased assets	-	-
(e) staff costs	(5,677)	(5,677)
(f) administration and corporate costs	(2,063)	(2,063)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	122	122
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	2,909	2,909
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(4,517)</b>	<b>(4,517)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(21)	(21)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets (intangibles)	(323)	(323)

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) 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)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(344)</b>	<b>(344)</b>
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(2)	(2)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(2)</b>	<b>(2)</b>
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	31,345	31,345
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(4,517)	(4,517)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(344)	(344)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(2)	(2)
4.5 Effect of movement in exchange rates on cash held	696	696
<b>4.6 Cash and cash equivalents at end of quarter</b>	<b>27,178</b>	<b>27,178</b>

5. <b>Reconciliation of cash and cash equivalents</b> 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	4,957	3,045
5.2 Call deposits	22,221	28,300
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>27,178</b>	<b>31,345</b>

**6. Payments to directors of the entity and their associates**

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	152
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Item 6.1: Payments to directors consist of Directors' salaries and superannuation and Directors' fees for the quarter. These figures include only Non-Executive Directors. At 30 September 2018, there were nil Directors' fees accrued and unpaid.

**7. Payments to related entities of the entity and their associates**

	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	(400)
9.2 Product manufacturing and operating costs	(500)
9.3 Advertising and marketing	(200)
9.4 Leased assets	-
9.5 Staff costs	(3,800)
9.6 Administration and corporate costs	(1,500)
9.7 Other (provide details)	600
<b>9.8 Total estimated cash outflows</b>	<b>(5,800)</b>

Item 9.7: The estimated cash outflows are expected to be offset by the receipt of payment related to the asset sale of XiTRON Technologies, Inc. in Q2.

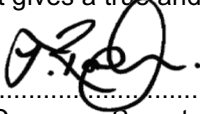
Net estimated cash outflows are also expected to be offset by cash receipts from customers in the range of \$0.8 million - \$1.1 million, resulting in a net cash burn of \$4.7 - \$5.0 million in Q2.

Estimated cash outflows for Q2 are based on an exchange rate of \$1AUD=\$0.72USD.

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	N/A	N/A
10.2 Place of incorporation or registration	N/A	N/A
10.3 Consideration for acquisition or disposal	N/A	N/A
10.4 Total net assets	N/A	N/A
10.5 Nature of business	N/A	N/A

**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.

Sign here:  .....

(Company Secretary)

Date: 16 October 2018

Print name: Leanne Ralph

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.