Acquisition of MRS Systems, Inc. and A$55m Capital Raising

volpara® health technologies

A Global MedTech SaaS Company using AI to personalize breast care.

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Executive Summary

- **Volpara Health Technologies ("Volpara") is a Software-As-A-Service ("SaaS") company that utilises AI to improve the early detection of breast cancer by analysing breast images ("mammograms")**
  - Volpara® Density & Volpara® Live! provide automated, objective decision support at the clinic
  - Volpara® Enterprise provides Cloud-based trend analytics to help breast imaging clinics manage quality & productivity
  - Our aim is to use AI to personalize breast care to reduce the 500,000 deaths from breast cancer each year

- **Volpara's software is experiencing rapid uptake in the US market (39m screenings p.a.)**
  - ~7% of US women screened at end of FY19 (2.8m women) used Volpara software, forecast to grow to 10% in FY20
  - Forecast ARR of US$7.0m in FY20[1] (midpoint of guidance)
  - ARR is expected to have grown with a CAGR of 185% p.a. from FY16 to FY20f
  - Gross margin ~83% with a relatively fixed cost base
  - Built a 'competitive moat' – Intellectual property, clinical validation, regulatory approvals and 'marquee' clinics

- **Volpara has entered into an agreement to acquire 100% of Seattle based MRS Systems Inc. ("MRS") for ~US$14.6m[2]:**
  - A leading provider of breast clinic practice management software
  - ~50 employees and ~20% US market share - ~1,700 breast imaging clinics
  - FY20 forecast Annual Recurring Revenue of ~US$4.5m
  - Clinical data held by MRS could make the Volpara-held images & analytics far more useful
  - Combination provides a pathway to increase ARPU from US$2.20 towards US$10, which gives a TAM of US$390M ARR in US

- **The Company is conducting a fully underwritten A$55m capital raising at A$1.50 per share via a:**
  - A$45m Placement to Institutional and Sophisticated Investors
  - ~A$10m 1 for 27 Fully Underwritten Accelerated Non-Renounceable Rights Issue to existing shareholders
  - Funds the purchase of MRS for ~US$14.6m[2] and ~A$30m to expand the team and support growth over next 3 years.

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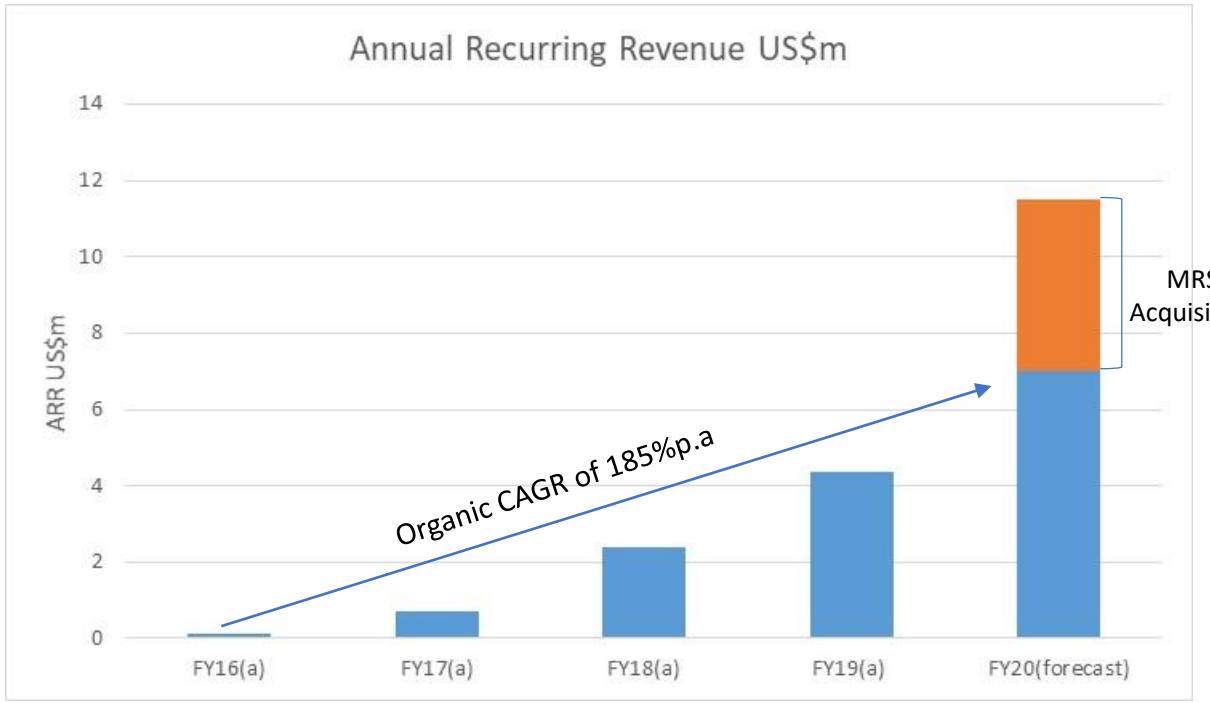
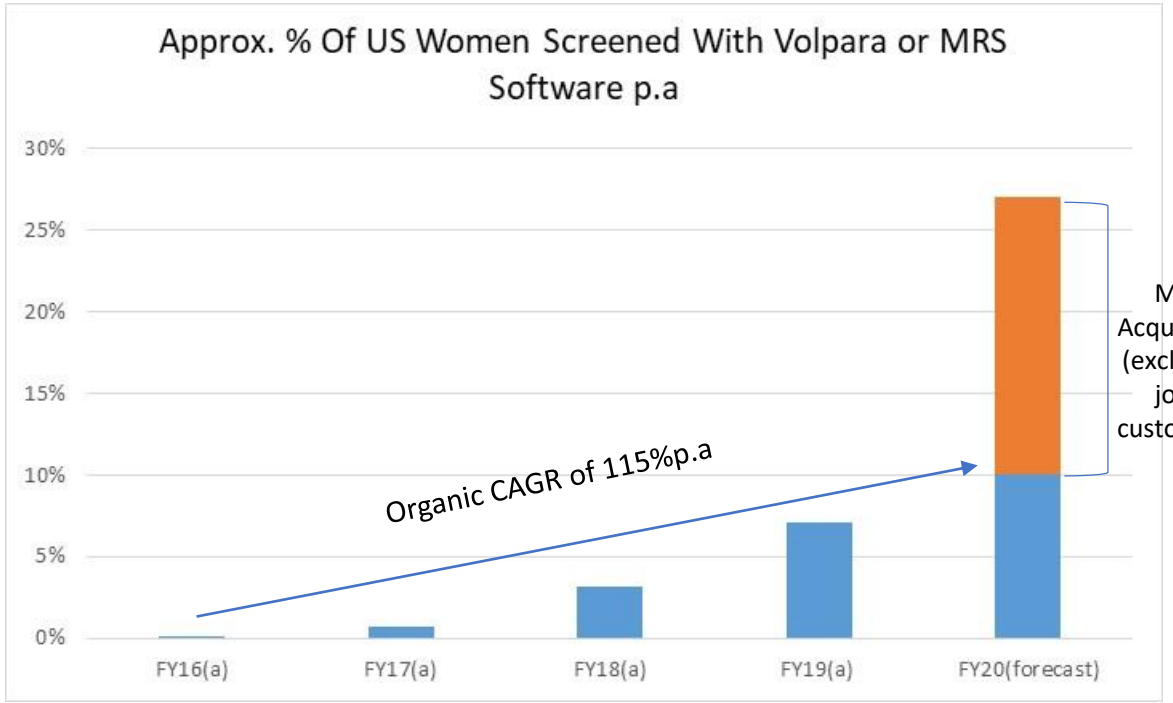
1 – Based on exchange rates, 13th May 2019
2 – Less adjustments

Strong Growth in Key Metrics





Impact of Acquisition on Financial Metrics

	volpara health technologies	+ MRS Medical Reporting Software	volpara health technologies	POST TRANSACTION
Annualized Revenue (FY20f)	US$5.3m	US$7.5m[1]	US$12.8m[1]	↑142%
ARR (FY20f) mid-point of guidance for VHT	US$7.0m[2]	US$4.5m	US$11.5m	↑64%
No of Customers (at Mar-19)	128[3]	552	655[4]	↑412%
% Of US Women Screened Using a Volpara/MRS product (FY20f)	10%	20%[5]	27%[4,5]	↑170%
Net Cash (at Mar-19)	A$13.6m	-	A$45.2m[6]	↑232%
EV[7] / FY20 Revenue	35.8x	2.0x[8]	14.8x	↓59%
EV[7] / FY20 ARR	27.1x	3.3x[8]	16.5x	↓39%

1 - Might differ due to US GAAP v IFRS, assumes MRS business continues as capital, reported revenues will be lower than the annualized value shown.
2 - Mid point of guidance
3 - VolparaEnterprise US customers only
4 - Assumes 20% overlap of customers
5 - Assumes MRS clinics screen a US average number of women per clinic
6 - Includes cash raised under the capital raising and associated costs
7 - Assuming EV (A$269.7m @ A$1.50) remains unchanged after acquisition
8 - Multiple calculated using acquisition price of ~US$14.6m, that will change with adjustments
Note the above assumes: USD/AUD 1.42 USD/NZD 1.51 AUD/NZD 1.06 & Volpara Year End is March 31st

Attractive Recurring Revenue Model

- Volpara calculates ARPU as US$ per woman screened
- Current ARPU of ~US$2.20[1] per woman screened at end of FY19

- ARPU is ultimately a blend of:
  - Fee per woman screened (major component)
  - Annual licence fees per user at each clinic (small component)

- ARPU is increasing with a "Land & Expand" SaaS strategy:
  - Organic growth based on ROI stories we are now amassing (ARPU up 37% FY19 to FY18)
  - Selling new products, such as VolparaLive!
  - Looking to sell 3rd party products

- Our revenue model is attractive because:
  - It is recurring
  - Most new contracts signed are on a 5-year term
  - Paid annually upfront - great for cashflow
  - Number of woman screened is effectively 'take or pay'

VOLPARA'S AIM IS TO GET TO

~US$10 ARPU per screen

VolparaEnterprise

VolparaDensity

VolparaLive!

Risk Assessment

Computer-Aided Detection

Mammo Information System

Volpara + MRS will increase ARPU and thus sales productivity

[1]US Enterprise customers in FY19

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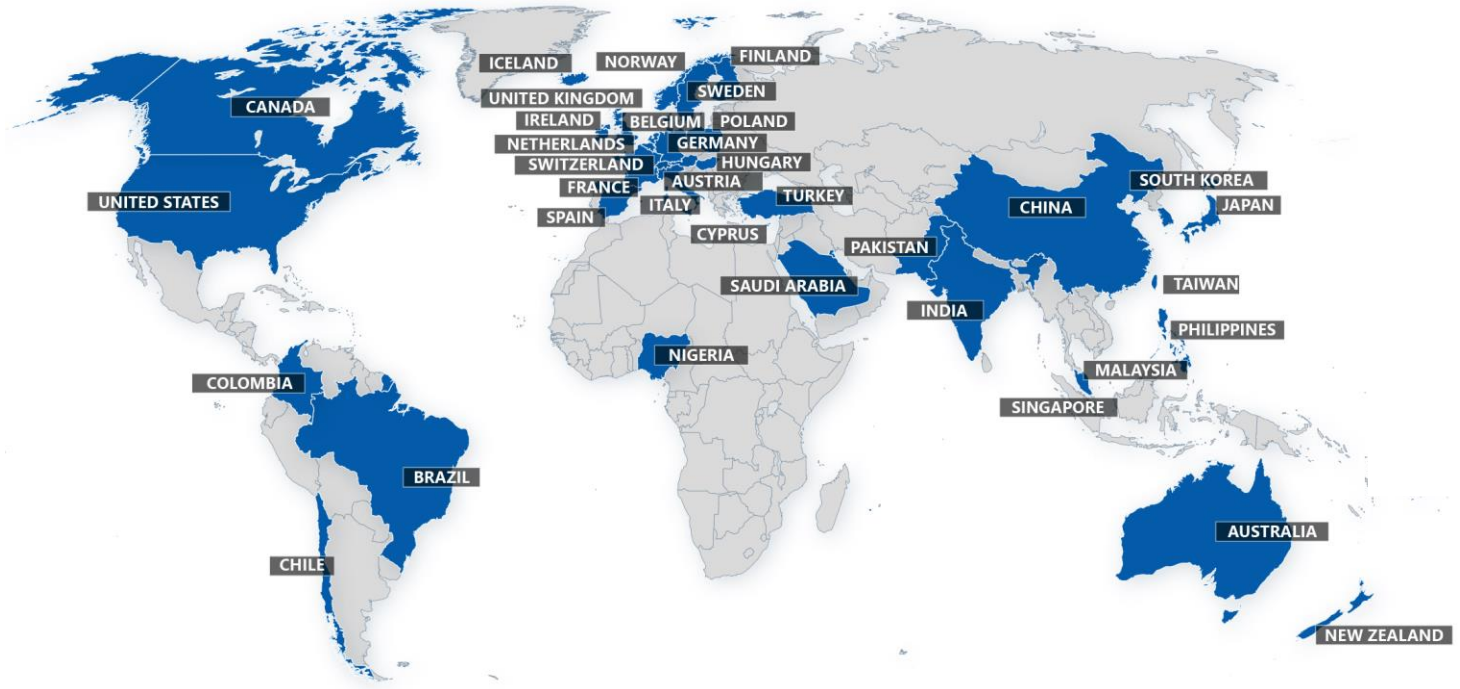
The Global Market – 75M Screenings per Year

- Total global addressable market is estimated at approximately 75M[2] screenings per year
- Volpara is already installed in 38 countries, including in major trials in Europe and elsewhere

Volpara's Total Addressable Market is US$750m ARR globally, assuming we can get to US$10 ARPU

Volpara Global Coverage[1]



38
COUNTRIES
and growing...

[1]Clinical & research users
[2]Management estimates/market research

Summary of Transaction Rationale & Potential Synergies

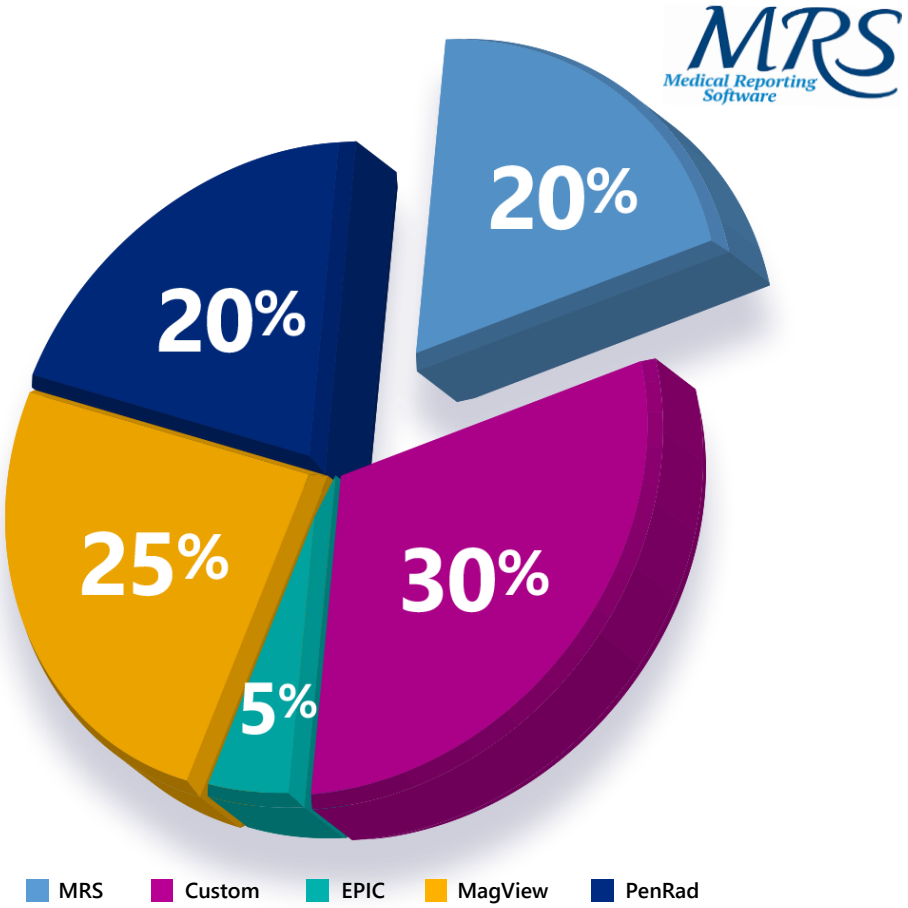
SHORT TERM

- ✓ Acquisition is consistent with Volpara's ambition to 'win' the US market
- ✓ Significant increase in Volpara's ARR
- ✓ Provides us a mature, experienced HQ in the US to leverage off
- ✓ Provides us technical expertise in interfacing
- ✓ **Accelerated sales**:
  - ➢ Ability to cross-sell Volpara product into MRS installed base
  - ➢ Ability to cross-sell MRS software, such as risk assessment into Volpara installed base
  - ➢ Gain an experienced additional US based sales team to further drive growth
  - ➢ Gives Volpara increased access to the DoD & Veteran organizations in the US
- ✓ **Increased ARPU:**
  - ➢ More products for each sales person to sell
  - ➢ Accelerate products to market such as risk assessment
- ✓ **Less likelihood of churn**:
  - ➢ Better integrated, more powerful & sticky products
  - ➢ Mature customer support team based in time-zone

MEDIUM TERM

- ✓ Consolidation of costs around sales, IT implementations, support and service.
- ✓ Convert MRS sites to pure SaaS recurring revenue using Volpara experience and expertise
- ✓ Next generation of tightly integrated analytics products

Mammography Information Systems (MIS) Market Landscape



- All breast imaging clinics have an MIS for practice management, patient tracking, reporting, compliance and reimbursement management.
- MRS, PenRad, MagView[1] are the major players in MIS in US, it is very specialized versus the more generic Electronic Patient Record companies, such as EPIC.
- MIS are highly embedded and 'sticky'. Clinics reluctant to change MIS unless compelling new features added.
- Market is relatively stagnant and lacking innovation, thus ready for disruption.
- Volpara when tightly integrated with MRS will become compelling enough to win market share.

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[1] Estimates based on public sources and management observations, there are many smaller players also.

Overview of MRS Systems Inc.

MRS Systems, Inc. is a leading player in the Mammography Information Systems (MIS) sector in the US.

- Founded 1987 in Seattle, USA with ~50 employees
- Bootstrapped to date, no outside investment
- Founders are no longer involved in day-to-day operations
- Profitable, relatively flat revenues, Gross Margin > 90%
- Experienced management team in place

Software specifically designed for breast (& lung) imaging clinics:

- Provides structured reporting and patient communications
- Aids regulatory, audit and reimbursement compliance
- Provides clinical and business intelligence
- Has integration & interoperability with many IT systems

Value proposition of MRS to customers:

- Automation – limits manual work of clinical staff, more time to focus on patient care - simplifies and speeds up
- Compliance Features – minimise legal liability and maintain FDA approved status
- Reimbursement – help ensure no missed revenue

Rationale for acquisition of MRS

High Quality Customer Base Proves Clinical Need

- Our customers are some of the largest and most respected cancer hospitals and imaging clinics globally. These 'Marquee' customers provide proof of clinical need and significantly aid our sales effort into the rest of the market
- MRS has a large number of high quality customers that Volpara has yet to penetrate, and vice versa

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MAYFAIR DIAGNOSTICS

Bassett Healthcare Network

Memorial Sloan Kettering Cancer Center

The Royal Melbourne Hospital

I-MED Radiology Network

THE UNIVERSITY OF TEXAS MD Anderson Cancer Center

ProMedica

Alfred Imaging

Imaging Associates

St Luke's University Health Network

Christiana Care Health System

University of Virginia Health System

EWBC Elizabeth Wende Breast Care Breast Imaging Excellence

Boca Raton Regional Hospital

MRS Medical Reporting Software

Elkhart General Hospital

Carolina Breast Imaging Specialists, PLLC

Charleston Breast Center A Division of East Cooper Medical Center

North State Radiology

Walter Reed National Military Medical Center

Kaiser Permanente

KU The University of Kansas

Henry Mayo Newhall Hospital

Mount Carmel Medical Group

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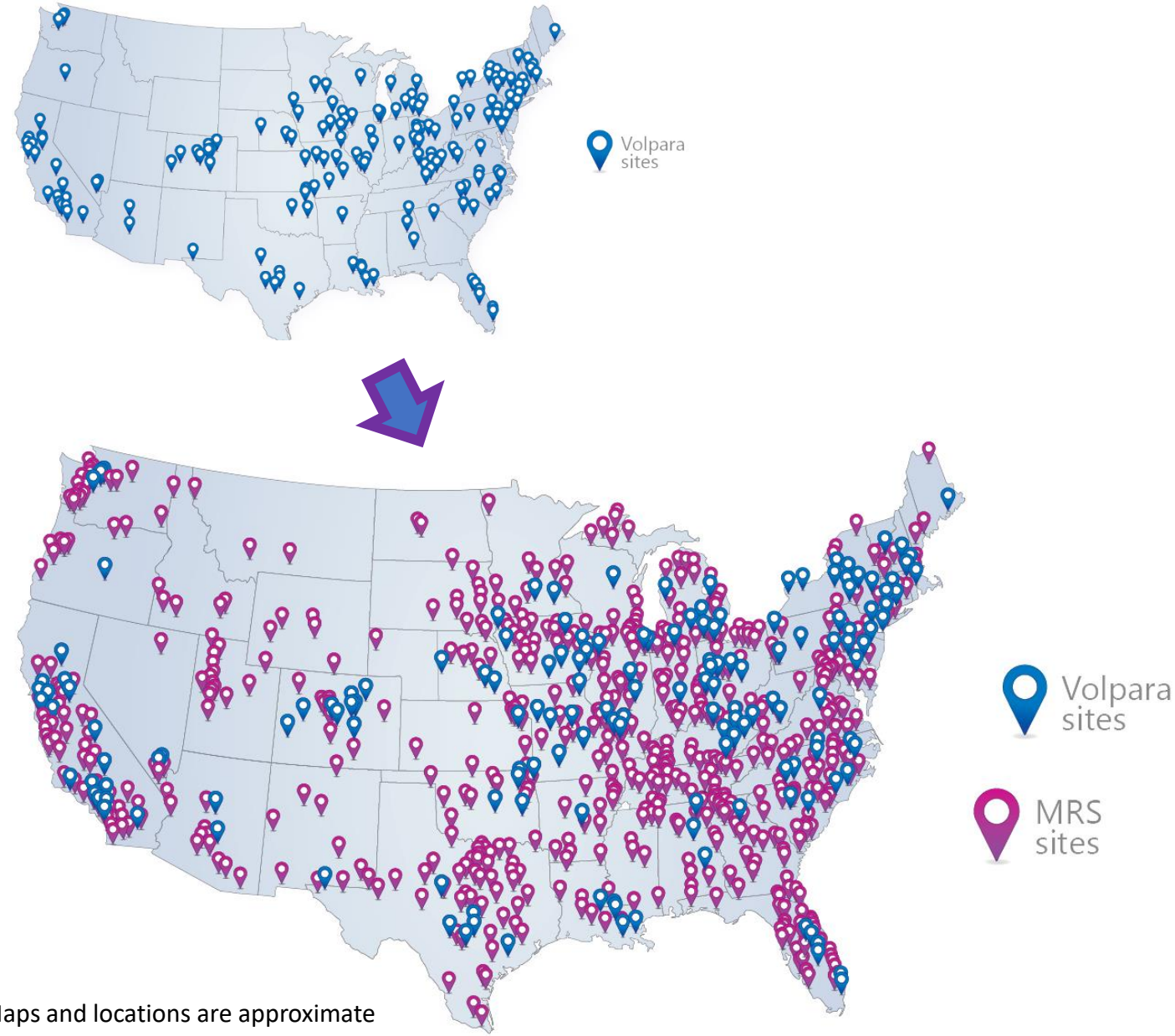
US Market Penetration – Volpara & MRS



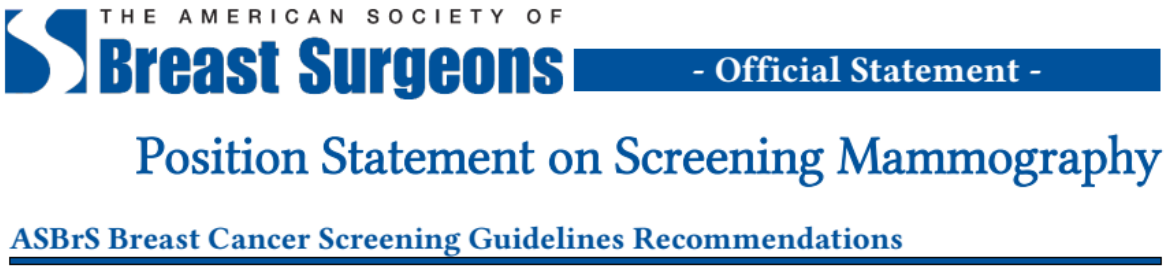
- Volpara currently in ~407 clinics, with a concentration on the East Coast of the US
- MRS installed in ~1,700 clinics in a broad geographic spread across the US

Volpara + MRS will have much greater presence across the country, with significant cross-sell opportunities

Maps and locations are approximate

Major Tailwinds in the US – Regulatory, Legal and Society Guidelines

- Breast density advocates have forced 38 US states to legislate that radiologists notify women screened about breast density (when mammography is less effective)
- FDA has announced (March 2019) new draft regulations:
  - All women must be informed of their breast density
  - This is additional to their push for higher quality, EQUIP



May 3, 2019 ASBrS recommends risk-based screening, where risk is assessed using a model such as Tyrer-Cuzick including breast density

VolparaDensity is the only commercial density product approved for use in Tyrer-Cuzick.

MRS has a full risk product already built.

Volpara + MRS allows a more complete offering to customers to help them comply with all the new guidelines.

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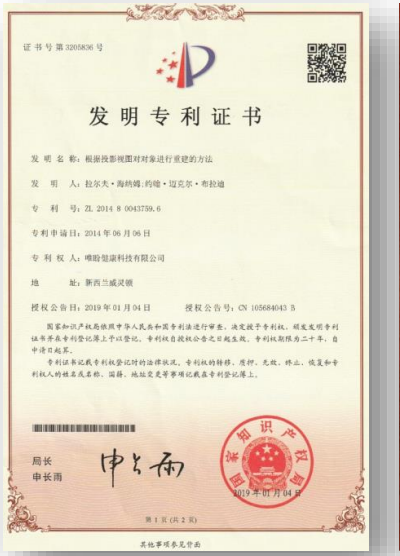
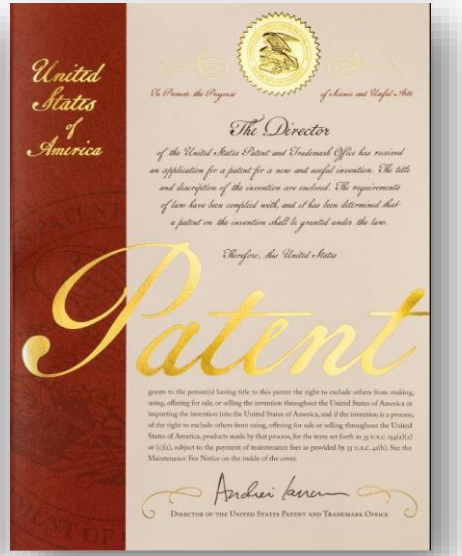
Significant Barriers To Entry

- Unlike some SaaS businesses there are significant barriers to entry for anyone trying to replicate our software:
  - Years of lead time developing the software (we have invested 10+ years)
  - Embedded and sticky nature of the software
  - FDA clearance under 510(k) as a medical device, and global regulatory clearances
  - Hundreds of clinical publications including global, multi-year clinical trials
  - Only commercial density tool in the leading risk model, Tyrer-Cuzick
  - 50 granted (international) patents
  - 73 national patent applications in final stage of process
  - Registered trademarks in 39 countries
  - Copyright works (software, graphics and text)
  - Trade Secrets (which protect the key part of the code)
  - High level of data security – ISO27001 certified



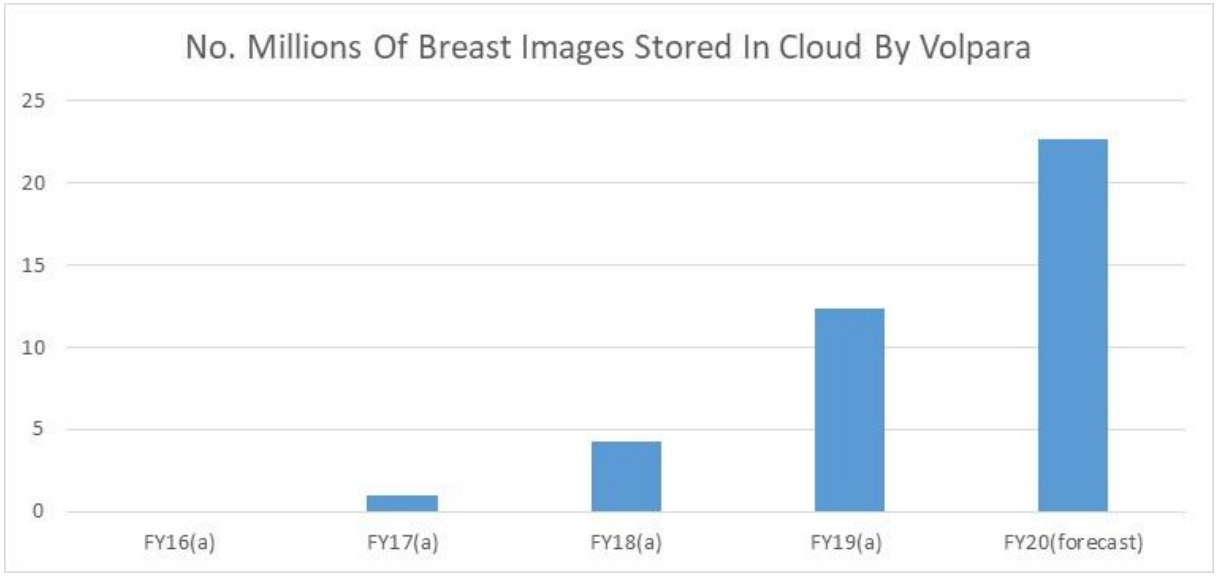


- In addition our first mover advantage and installations at Marquee Customers in the US leaves us better positioned to win new business than a new entrant

Volpara + MRS provides a far more complete and stickier solution, and brings in MRS's decades of interfacing experiencing and large installed base – we have critical mass

Volpara is Accumulating One of the Most Valuable Datasets in e-health

- Personalized health care involves tough choices about screening protocols, surgery & treatment options, and increasingly about ways to prevent disease – the key to those choices is data
- Volpara has amassed a massive database of over 10m images in the Cloud – and growing rapidly
- These images are valuable to Volpara now, and will become ever more valuable, if we add clinical data alongside those images



MRS potentially gives us access to clinical data, making us one of the few global entities with a data set rich enough for predictive healthcare - Volpara is experienced in de-identification, Cloud and information security concerns.

Volpara Aims to become the World's Leading Software Provider for Breast Care

Outlook & Priorities for FY2020 – Personalize Breast Care

1. "Light Touch" integration of Volpara & MRS with a focus on maintaining high growth rates into FY21
2. Begin selling MRS risk assessment & CAD products into Volpara customers for quick increase in ARPU
3. Expand the US sales team and roll-out further new products to increase ARPU
4. At least ~27% of US women screened using a Volpara/MRS product at end FY2020
5. Be ready for possibility of FDA mandating breast density reporting
6. Be ready for a positive trial result out of the Netherlands (DENSE, 9 year randomized control trial, 40K patients) – could drive substantial global interest and sales pipeline outside the US
7. Continue to have a strong global presence – support the trials in Europe, and keep growth in Asia
8. Start collecting and using the clinical data associated with the Volpara images

Track Record of Driving ARR and Shareholder Value Creation

- Volpara has a track record of delivering ARR growth and in turn shareholder returns
- We aim to continue to drive rapid ARR growth into FY21 and beyond whilst maintaining a relatively stable cost base

Volpara Software & Company Overview

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A Global MedTech SaaS Company
using AI to personalize breast care.

Experienced Board of Directors

Paul Reid *Chairman*

- Joined the Board in 2018, based Wellington.
- Former CEO of MetService, Figured, and Executive at AirNZ, Carter Holt Harvey.
- Chairman of Figured, Pukeko Pictures and Director for NZ listed Comvita and Christchurch Airport.

Dr Monica Saini *Executive Director*

- Joined 1st November 2017
- Former Chief of Breast Imaging, Santa Fe, USA
- Former Chief of Breast Imaging, Christus St. Vincent, USA
- Former Medical Director of Breast Ultrasound, GE Medical
- Breast Radiologist, New Zealand Breast Screening

Prof Sir Mike Brady *Non-Executive Director*

- Founding Director of VHT
- Serial successful entrepreneur at Oxford & MIT
- Author of over 750 articles and 26 patents in fields including machine vision and AI
- Current Professor of Oncological Imaging at Oxford

John Diddams *Non-Executive Director*

- Principal of Australia CPA firm, focusing on ASX
- Currently non-executive director of ExperienceCo
- 25 years raising capital, performing due diligence

Ralph Highnam, PhD *Managing Director*

- PhD, AI and Breast Imaging, University of Oxford
- Former CEO of successful Mirada Solutions
- Co-founded Volpara (VHT) 2009 to exploit concepts from PhD work

John Pavlidis *Non-Executive Director*

- Joined the Board in 2015, based in USA
- Over 25 years' medical device experience
- CEO of VytronUS, former president and CEO of R2 Technology (AI for Breast Imaging)

Roger Allen, AM *Non-Executive Director*

- Joined the Board in 2010, Chairman from Oct 2015-Feb 2019
- Successful tech entrepreneur, and established VC
- Served on 2 Australian PMs' Science & Tech Councils Advisories

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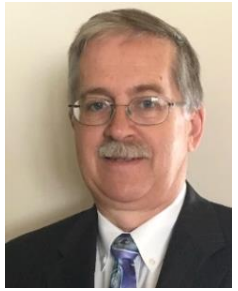
Experienced Management Team

Mark Koeniguer *Chief Commercial Officer*

- Highly experienced in medical imaging software sales, including SaaS
- Based in Nashville, USA, with over 25 years of leading sales teams
- Worked across radiology, with long tenures in breast imaging specifically

Craig Hadfield *Chief Financial Officer*

- Appointed full-time CFO, 1st March 2017
- Over 8 years' experience in senior and managerial auditing roles around the world, ex Deloitte and EY



Julian Marshall *Chief Strategy Officer*

- Joined 1st March 2016, based in San Francisco
- 30 years' experience in breast imaging software product management
- Former Senior Director of Global Product Management at Hologic

Richard Hudson *VP Engineering*

- Joined 1st June 2017
- 30 years' experience in product and software development, including SaaS
- Former Senior Director at Imagination Technologies, a UK high-tech company

Dr Monica Saini *Chief Medical Officer*

- Joined 1st November 2017
- Former Chief of Breast Imaging, Santa Fe, USA
- Former Chief of Breast Imaging, Christus St. Vincent, USA
- Former Medical Director of Breast Ultrasound, GE Medical
- Breast Radiologist, New Zealand Breast Screening

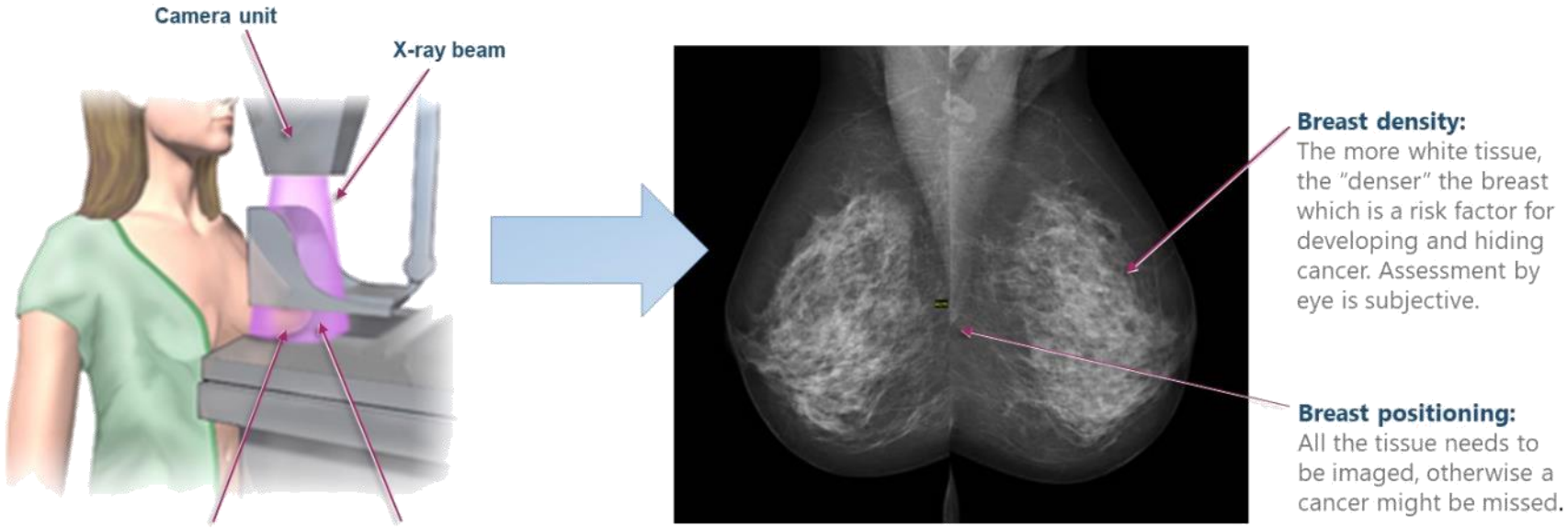
Ralph Highnam, PhD *Chief Executive Officer*

- PhD, AI and Breast Imaging, University of Oxford
- Former CEO of successful Mirada Solutions
- Co-founded Volpara (VHT) 2009, to exploit concepts from PhD work

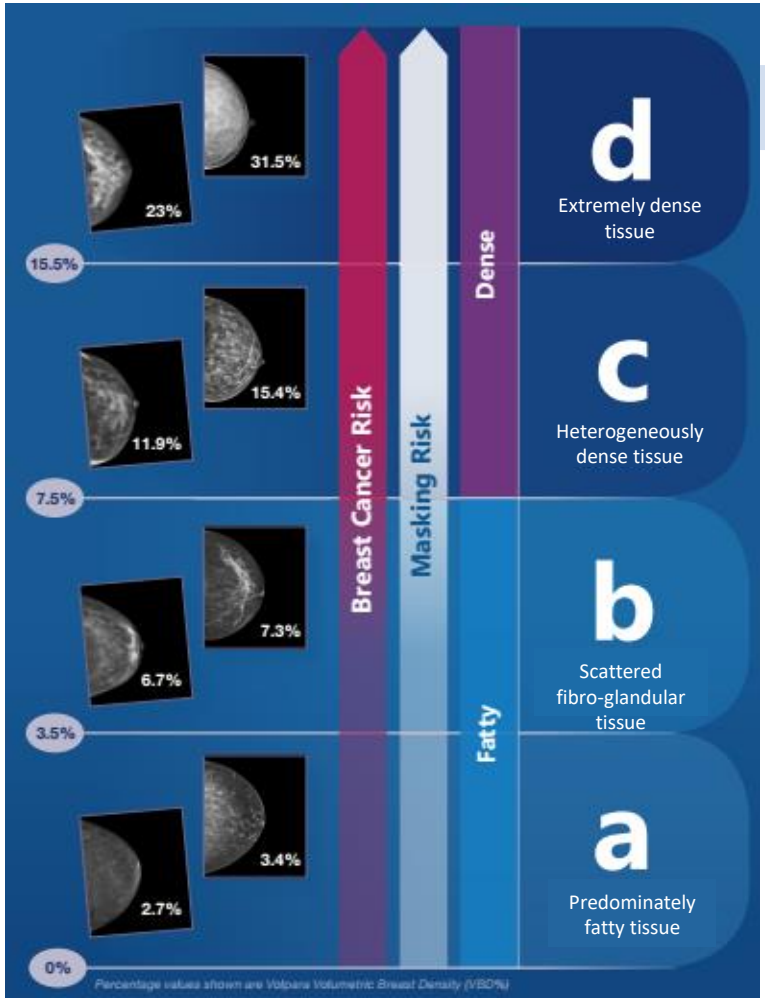
Overview of Volpara

- Our mission is to reduce the mortality and cost of breast cancer globally through AI powered software that allows control of high-quality screening, diagnosis and treatment

- Volpara is unique in measuring and reporting on the four key metrics at the point of screening: breast density, positioning, radiation dose & breast compression



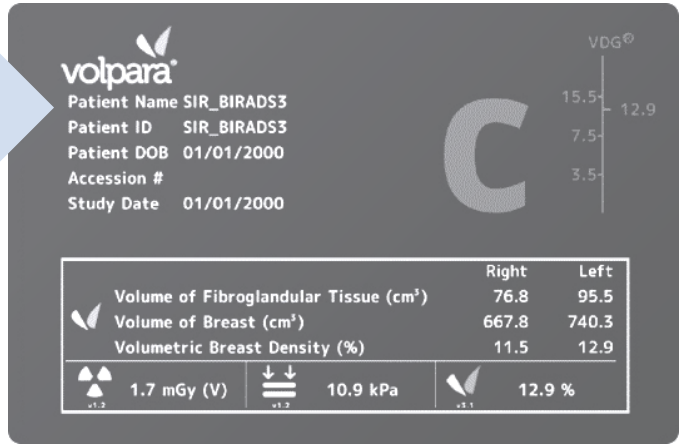
Overview of VolparaDensity



FDA 510(k) cleared

VolparaDensity

- Automated, objective, density scoring for each patient
- VolparaDensity is the only commercial density tool included in leading risk model Tyrer-Cuzick



>300 publications

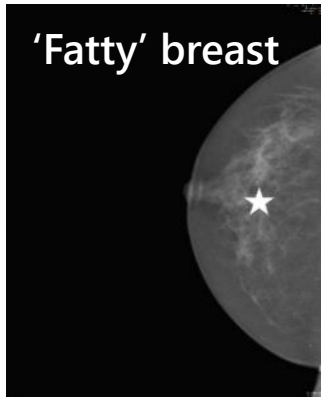

Annals of Internal Medicine ORIGINAL RESEARCH

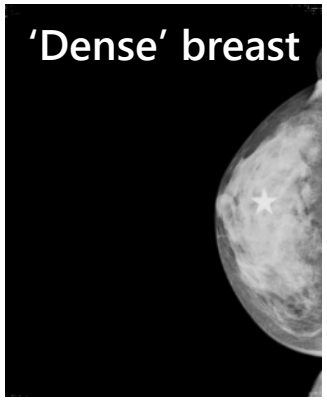
Automated and Clinical Breast Imaging Reporting and Data System Density Measures Predict Risk of Screen-Detected and Interval Cancers

Karla Kerlikowske, MD; Christopher G. Scott, MS; Amir P. Mahmoudzadeh, MScEng; Lin Ma, MS; Stacey Winham, PhD; Matthew R. Jensen, BS; Fang Fang Wu, BS; Serghei Malkov, PhD; V. Shane Pankratz, PhD; Steven R. Cummings, MD; John A. Shepherd, PhD; Kathleen R. Brandt, MD; Diana L. Miglioretti, PhD; and Celine M. Vachon, PhD

- **Most US women are routinely told their breast density**
- ***FDA is planning to ensure all are told***

Nancy Cappello drove the idea of density notification. Sadly, she succumbed to complications of breast cancer, 15th Nov 2018.

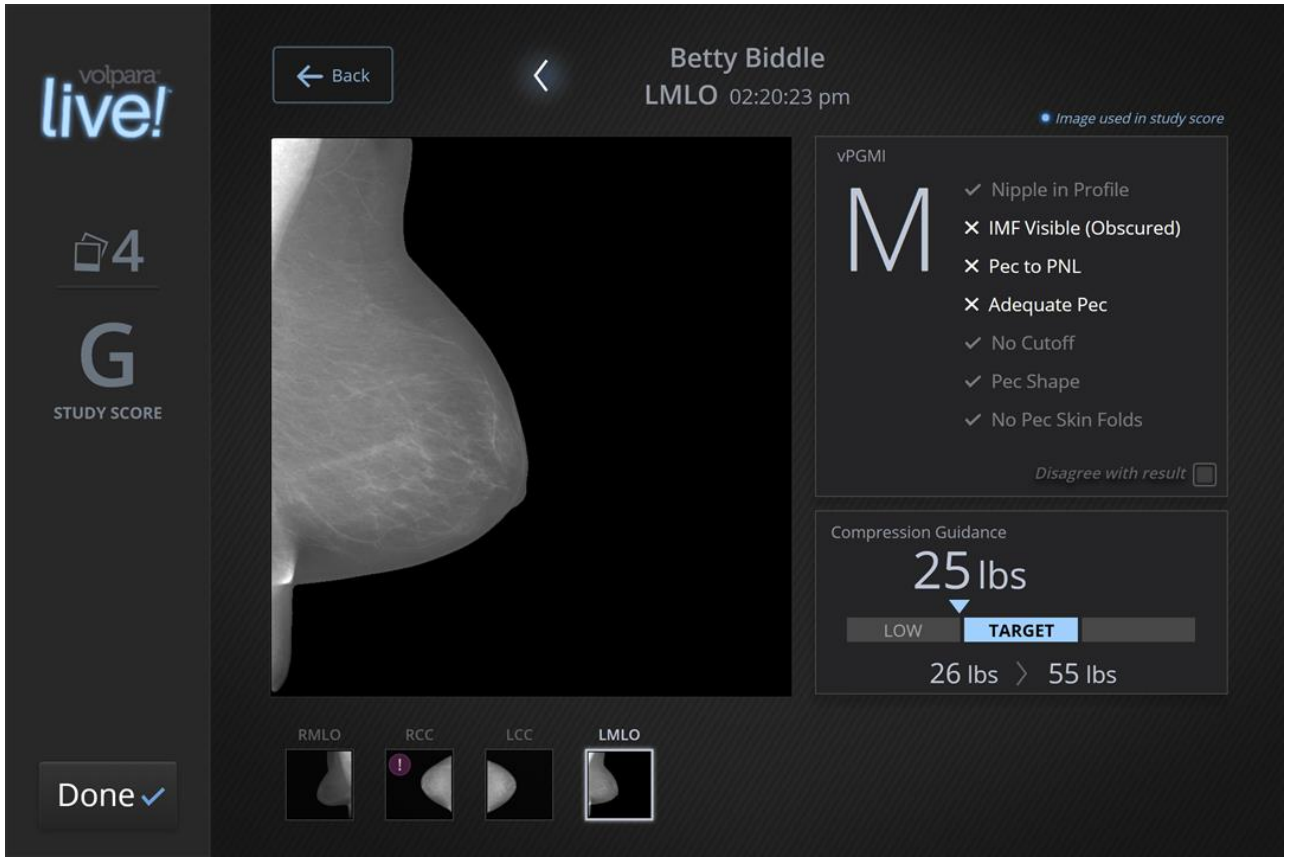




The white star mimics a cancer – easy to see in a fatty breast, much harder on a dense breast.

volpara health technologies

Overview of VolparaLive!



- **VolparaLive! makes patients happier and clinics more profitable**
  - By ensuring that high quality images are taken the first time, fewer women are recalled for a repeat image
  - When patients are recalled for repeat images, the clinic is not reimbursed
- **Launched at RSNA (Chicago, Nov 2018)**
  - First sales achieved
  - Significant interest from existing customer base and new prospects
  - Will drive ARPU growth

Overview of VolparaEnterprise

Volpara Cloud on Microsoft Azure
Powered by Volpara Artificial Intelligence

Volpara proprietary software aggregates data

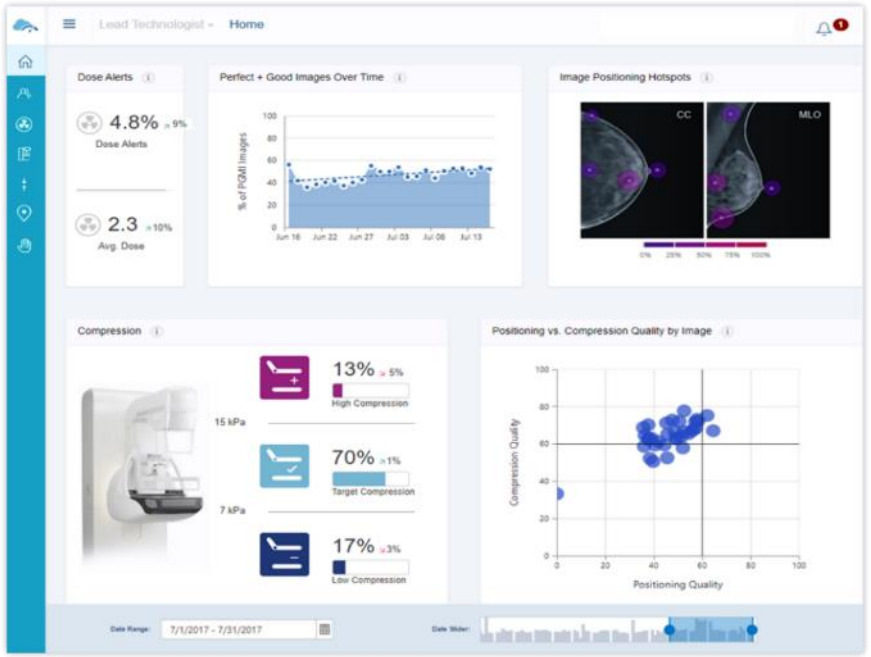
Secure access to Volpara AI Analytics in the Cloud via browser

Lead Technologist accessing VolparaEnterprise

Each uses Volpara dashboards to better manage staff, equipment utilisation, compliance and drive profitability

Breast Imaging Manager accessing VolparaEnterprise

VolparaEnterprise Dashboard



bsi. ISO/IEC 27001 Information Security Management

volpara health technologies

Summary of Why Clinics are Adopting Volpara

- **Better care for their patients –** more cancers detected with density based screening
- **Saves radiologist time** – no longer required to interpret density manually & reduced audit preparation time
- **More revenue** – high density can help justify referrals to additional imaging (ultrasound and MRI)
- **Potentially reduced litigation risk** – automated objective evidence can justify decisions
- **Improved efficiency** – ability to monitor efficiency of staff and x-ray machines via Enterprise
- **Multi site remote monitoring** – Managers of multiple clinics can remotely monitor via Enterprise
- **Reduced 'technical recalls' of women** – ~2-3% of women are recalled back to clinic to retake poor quality images, this is an opportunity cost and is not reimbursed
- **Reduced regulatory audit preparation and potentially less chance of being penalized**
- **Anticipation of FDA adopting mandatory density reporting & trend to risk-based screening**

Transaction & Capital Raising Details

volpara® health technologies

A Global MedTech SaaS Company using AI to personalize breast care.

Transaction Overview

Summary	• Volpara has entered into an agreement to acquire MRS Systems, Inc. ("MRS") a leading provider of breast clinic management software:
	  • Market leading product suite supporting breast and lung cancer screening
	  • Annual Recurring Revenue (ARR) forecast to be US$4.5m as at 31 December 2019
	  • Strong footprint: approx. 1,700 medical imaging sites are using MRS products in US

Purchase price	• Purchase price of ~US$14.6 million (subject to adjustments):
	  • Equivalent to ~A$21.15 million
	  • EV/ARR multiple of 3.3x and EV/Revenue multiple of 2.0x

Structure & Vendors	• All cash consideration (founders are retired and no longer involved in day to day operations) • Key management, including the existing CEO, to continue employment with the business post-closing • Employee incentive plan to be implemented for key management personnel
Acquisition funding	Volpara is conducting a fully underwritten A$55m capital raising at A$1.50 to fund the acquisition and provide additional working capital: • A$45m Placement at A$1.50 per share to Institutional and Sophisticated investors • 1 for 27 Fully Underwritten Accelerated Non-renounceable Entitlement Offer at A$1.50 per share to raise ~A$10m (together the "New Shares")

Capital Raising Overview

Transaction structure	• Fully Underwritten Placement to institutional and sophisticated investors of 30m shares to raise approximately A$45m under the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A ("Placement") • 1 for 27 Fully Underwritten Accelerated Non-renounceable Entitlement Offer to raise approximately A$10m ("Entitlement Offer")

Issue price	• Issue price of A$1.50 per share which represents:
	  • 18.9% discount to last close on 31st May 2019
	  • 14.9% discount to 30 day VWAP
	  • 16.2% discount to the theoretical ex-rights price (TERP) of the Shares, being A$1.79[1]

Ranking	New shares issued under the Placement and Entitlement Offer will rank parri passu with existing fully paid ordinary Volpara shares on issue
Lead Manager, Corporate Advisor and Underwriter	Bell Potter Securities Limited ("Bell Potter")
Co-Lead Manager	Morgans Corporate Limited ("Morgans")

[1] TERP is the theoretical price at which Shares should trade immediately after the ex-date for the Entitlement Offer based on the last traded price and issue of Shares at the offer price in the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Volpara shares trade immediately following the ex-date for the Entitlement Offer may be different from TERP.

Capital Raising Overview

Capital raising proceeds will be applied towards the cash consideration of MRS, plus additional working capital to continue Volpara's growth

Sources	$m	Uses	$m
Institutional placement	A$45.0	Cash consideration for the acquisition on MRS	~A$21.0
		Costs of Offer	~A$3.2
1 for 27 Accelerated Non-Renounceable Entitlement Offer	A$10.0[1]	Balance Sheet for Growth: • Expansion and integration of US sales teams • Grow the marketing and customer teams • Expand engineering and build a data team • Working capital	~A$30.8
Total sources	**A$55.0**	**Total uses**	**A$55.0**

Note: [1] Subject to rounding and fractional entitlements

Timetable

Trading Halt	pre-market, Monday, 3 June 2019
Company resumes trading and results of Placement announced	Wednesday, 5 June 2019
Record date for participating in the Entitlement Offer	7.00pm (Sydney time) Wednesday, 5 June 2019
Retail Entitlement Offer opens and despatch of Retail Offer Booklet	Tuesday, 11 June 2019
Settlement of New Shares issued under the Placement and the Institutional Entitlement Offer	Wednesday, 12 June 2019
Allotment of New Shares issued under the Placement and Institutional Entitlement Offer	Thursday, 13 June 2019
Retail Entitlement Offer closes	5.00pm (Sydney time) Wednesday, 26 June 2019
Allotment of New Shares issued under the Retail Entitlement Offer	Wednesday, 3 July 2019

Note: This timetable is indicative only. Volpara reserves the right to amend any dates and times without notice subject to the Corporations Act, the ASX Listing Rules and other applicable laws.

Key Risks

A Global MedTech SaaS Company
using AI to personalize breast care.

Key Risks

Note: References in this section to Volpara include, to the extent applicable, references to the Volpara Group comprising Volpara Health Technologies Limited and its subsidiaries, including MRS following the Acquisition.

Key risks specific to an investment in Volpara - The New Shares to be issued under the Capital Raising do not guarantee the payment of dividends, return of capital or any increase in their market value. The list of key risk factors below should be carefully considered, together with all the other information on Volpara before deciding to apply for New Shares.

Type of risk	Description of risk
Due diligence in relation to MRS	Volpara undertook a detailed due diligence process in respect of MRS involving the retention of professional advisers in the US as well as its own personnel, which relied mostly on the review of legal, financial and other information relating to MRS that was provided by the vendors of MRS. While Volpara considers the due diligence process undertaken to be appropriate, Volpara has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, Volpara has prepared (and made assumptions in the preparation of) the financial information relating to the combination of MRS and Volpara following the closing of the Acquisition set out in this Presentation in reliance on the financial information and other information provided by the vendors of MRS, which in some cases may be limited. Some of the financial information provided by MRS is unaudited. If any of the data or information provided to and relied upon by Volpara in its due diligence process and its preparation of this Presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Volpara following the Acquisition may be materially different to the financial position and performance expected by Volpara and reflected in this Presentation. While Volpara considers the due diligence process undertaken to be appropriate in the context of the Acquisition, Volpara cannot provide assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the Acquisition have been identified. Therefore, there is a risk that unforeseen issues and risks may arise, which may have a material impact on Volpara's business. This could adversely affect the operations, financial performance or financial position of Volpara. Further, the information reviewed by Volpara in its due diligence process includes forward looking information. While Volpara has been able to review some of the foundations for the forward looking information relating to MRS, forward looking information is inherently unreliable and based on assumptions that may change in the future. To the extent that the actual results achieved by MRS are different than those indicated by Volpara's analysis, there is a risk that the profitability and future earnings of the operations of Volpara may be materially different from the profitability and earnings expected as reflected in this Presentation. Volpara has sought to mitigate the risks associated with the information provided during due diligence by seeking certain warranties, representations and indemnities from the vendors of MRS under the terms of the merger agreement for the Acquisition.

Key Risks

Type of risk	Description of risk
Volpara and MRS management personnel	The existing MRS management team are expected to continue in the business following the Acquisition, and will join Volpara's long term incentive program. Volpara depends on the talent and experience of its existing management personnel, including those who will join from MRS. However, despite incentives offered to key personnel, there can be no assurance that Volpara will be able to retain all of its key personnel, including any key personnel of MRS following the Acquisition. The loss of any key management or other personnel (including any of the MRS management team), or a significant number of personnel generally, may have an adverse impact on Volpara. It may be difficult to replace those personnel, or to do so in a timely manner, or at comparable expense. The loss of key management personnel could cause material disruption to Volpara's activities in the short to medium term. Further, Volpara is growing its sales and marketing teams in the US, Asia and Europe over time. An inability to attract quality sales and marketing personnel may adversely impact on Volpara's growth plans and its ability to grow revenue. The Board reviews the employment conditions of Volpara's employees on an ongoing basis with a view to ensuring Volpara remains competitive in terms of remuneration and other incentives. The Board also reviews employee incentive plans from time to time with a view to further aligning management and employees' interests with those of Volpara and its shareholders. While Volpara has an incentive program for its key management personnel these measures alone may not be sufficient to retain existing personnel, or to attract new personnel in a timely manner, which could negatively affect Volpara's ability to reach its goals.
Acquisition funding risk	Volpara has entered into an agreement (**Underwriting Agreement**) with Bell Potter Securities Limited (**Underwriter**) with respect to the management of the Capital Raising and the underwriting of the entitlement offer. If certain conditions precedent are not satisfied or certain events occur during the offer period, the Underwriter may be entitled to terminate the Underwriting Agreement, which would have an adverse impact on Volpara's funding for the Acquisition. If the Underwriting Agreement is terminated, and Volpara has insufficient funding to close the Acquisition and is unable to source alternate funding, it may be unable to close the Acquisition and it could be required to pay damages to the vendors of MRS.
Acquisition completion risk	The merger agreement for the Acquisition contains conditions precedent to closing. While the closing of the Acquisition is scheduled to occur as soon as practicable after settlement of the Placement, there is a risk that a condition precedent cannot be satisfied and the Acquisition does not proceed on the current terms and expected timing. If this were to occur, this could materially and adversely affect Volpara and its financial position.
The Acquisition and other investments by Volpara may not be successful	As evidenced by the Acquisition, as part of its growth strategy, Volpara may acquire businesses from time to time. While Volpara will take every effort to ensure that any acquisition is successfully integrated and benefits realised, there can be no assurance that Volpara will be successful in realising the anticipated benefits and synergies of any businesses that it acquires, including the MRS business. The ability to realise these benefits will depend in part on whether Volpara can efficiently integrate acquired businesses with its existing operations. The challenges of integrating and operating acquired businesses may be greater if Volpara acquires businesses that provide services outside Volpara's current geographic offering, particularly if it is unable to retain the acquired company's management. In addition, there is a risk that Volpara will overestimate the value of acquired businesses and therefore overpay. These factors may adversely impact Volpara's financial performance. The Acquisition involves the integration of MRS, which has previously operated independently from Volpara. As a result, there is a risk that the integration of MRS may be more complex than currently anticipated, encounter unexpected challenges or issues and take longer than expected, divert management attention or not deliver the expected benefits. This may affect Volpara's operating and financial performance. Further, the integration of MRS' accounting functions may lead to revisions, which may impact on Volpara's reported financial results. As Volpara's business expands, the complexity of its business will increase. If Volpara is unable to adapt to address different market dynamics, Volpara's operational and financial performance may be adversely affected.

Key Risks

Type of risk	Description of risk
Customer acquisition risk	A key driver of the Acquisition is acquiring access to MRS' customers' clinical & patient data to further enhance Volpara's products and make them more valuable for long-term predictive healthcare. While Volpara will discuss the Acquisition with MRS' customers, there is a risk that customers may not provide their consent for Volpara to access their patients' health and associated clinical data. If a significant number of customers deny Volpara access to their patients' health and associated clinical data, it may have an adverse impact on Volpara's ability to realise the value of the Acquisition, which would adversely impact Volpara's financial performance and prospects. There can be no assurance that Volpara will be able to access MRS' customers' health data.
Historical liabilities	Since Volpara is undertaking a US-style merger with MRS, Volpara will indirectly assume any liabilities that MRS has from its past operations, including any liabilities which were not identified during Volpara's due diligence or which may be greater than identified during due diligence, for which insurance may not be adequate or available, and for which Volpara may not have recourse under the merger agreement following the closing of the Acquisition. Such liabilities may adversely affect the financial performance or financial position of Volpara.
Failure to attract new customers and to retain existing customers	The success of Volpara's business relies on its ability to attract new customers and to increase revenue from existing customers. Volpara primarily generates revenue through healthcare professionals, including radiologists who typically pay annual subscription fees in advance to access Volpara's products. Reasons that healthcare professionals may be slow to adopt the Volpara products include (but are not limited to): • preference for the products of competitors, where they exist, due to familiarity with those products or for various other reasons; • new Volpara products failing to perform to expected standards; • limited data being available that may illustrate return on investment and cost benefits to healthcare professionals of the use of Volpara products; and • concern over the potential liability risks involved in using a new product. Volpara's customers have no obligation to renew their service offering when their contract term ends and in some cases customers have rights to cancel after each year and Volpara cannot guarantee that all or any of its customers will renew their current service offering after the completion of their contract term. The same is true for a number of existing MRS customers. A number of contracts may also be terminable by the counterparty for convenience or a consent that is required on a change of control of MRS may not be given. Accordingly, there is a risk that customers reduce or cease usage of Volpara's products which would result in a reduction in the level of payments they make to Volpara including revenue characterised as recurring revenue. Volpara also believes that there is also a risk that in certain cases following the Acquisition, competitors of MRS may try to influence their clients to cease using Volpara products alongside their own products and convince those clients to switch to an alternative offering.

Key Risks

Type of risk	Description of risk
Competition risk	There are a number of organisations which compete both directly and indirectly with Volpara in the breast imaging analytics sectors. While Volpara is a leading provider of breast imaging analytics and analysis products that improve clinical decision-making and the early detection of breast cancer, some of Volpara's competitors may have or may develop competitive advantages over Volpara and may be larger on an international or regional basis and have greater access to capital or other resources. The market share of Volpara's competitors may increase or decrease as a result of various factors such as securing large new customers, developing new technologies and adopting pricing strategies specifically designed to gain market share. These competitive actions may reduce the prices that Volpara is able to charge for its products and services or reduce Volpara's activity levels, both of which would negatively impact the financial performance of Volpara.
Revenue recognised throughout term of customer contracts	Volpara recognises revenue over the term of the contract with its customers which are typically three to five years in length. Volpara invoices most customers annually, in advance, and recognizes revenue, according to NZ IFRS 15, which is approximately monthly, with some exceptions, on a pro-rated basis throughout the term of the contract. As a result, most of the revenue realised in any given period relates to contracts entered into during previous periods. Consequently, a shortfall in demand for Volpara's products or losses in the existing customer base may not be reflected in the revenue results of that period but are likely to negatively impact revenue in subsequent periods.
Volpara's current business model depends heavily on the success of *VolparaDensity™* and *VolparaEnterprise™*	*VolparaDensity™*, *VolparaEnterprise™* and *VolparaLive!™* have each obtained regulatory approvals, where required, in the US, the EU, Canada, Australia, NZ and other countries, where the product is already sold and generates revenue. Volpara expects to derive the majority of its revenue in the foreseeable future from sales of its *VolparaDensity™* breast imaging technology and *VolparaEnterprise™* and *VolparaLive!™* quality assurance 'Software as a Service' (SaaS) products. Volpara's ability to generate revenue will therefore largely depend on how effectively it can market and distribute its product range in the above markets and, after obtaining any necessary regulatory approvals, in other jurisdictions. If the Company is unable to achieve meaningful market penetration with its product range, its commercial strategy will be unachievable and Volpara will need to reconsider its business model.
Future profitability could be impacted by a number of factors	Volpara considers itself to be in an early sales and commercialisation stage for its products. To date, it has funded its operations principally through issuing securities and other domestic capital-raising activities. Volpara is not yet profitable. However, Volpara is growing revenue, principally in the US, however there is no guarantee that Volpara will be able to continue to grow revenue in the US or in other jurisdictions such as the EU. Volpara's ability to operate profitably in the future will depend in part on whether it is able to effectively utilise its own direct sales force and/or develop an international distribution network on appropriate terms. If Volpara fails to penetrate, or further penetrate, the international markets (including the US market) for its products, Volpara may never become profitable. Other factors that will determine Volpara's profitability are its ability to manage its costs, its ability to execute its development and growth strategies, economic conditions in the markets in which it operates, competitive factors and regulatory developments. Accordingly, the extent of future profits, if any, and the time required to achieve a sustained profitability are uncertain. Moreover, the sustainability of any profitability cannot be predicted.

Key Risks

Type of risk	Description of risk
Dealing with protected health information (PHI)	Volpara's existing revenue stream is heavily dependent on a number of Business Associate Agreements (BAA) with hospitals and clinics in the US. In the US, this is driven by the requirements of HIPAA which provides that healthcare providers in the US who deal with protected health information (PHI), being specific PHI that is governed by HIPAA and its associated regulations, must enter into a BAA with any third parties who receive that PHI in the course of performing services for, or on behalf of, that covered entity. Part of the purpose of the BAA is to ensure that third-party service providers are subject to the same obligations relating to the security of PHI as those that apply directly to covered entities under HIPAA. Under the terms of a BAA, it is customary for the hospital or clinic to insist that Volpara is liable for any unauthorised access to, or use or disclosure of, PHI while it is under the control of Volpara or its employees and contractors. While Volpara seeks to limit this liability to a monetary cap in negotiating these contracts, it is not always possible for Volpara to do so, and in some cases Volpara's liability is not limited. Volpara can also be found to be directly liable to the US authorities for a breach of obligations under the HIPAA regime. Similarly, in Europe, the General Data Protection Regulations (GDPR) seek to protect PHI of European citizens. While Volpara seeks to mitigate the risk of an inadvertent disclosure of PHI or a breach of privacy relating to PHI by its employees or contractors by putting in place appropriate internal security measures and training, and taking out insurance cover, if a breach were to arise and Volpara is found to be liable and subject to a payment of damages, this could have a material adverse effect on the financial performance and reputation of Volpara. Further, as Volpara utilises a Cloud-based information storage system, additional risks for the storage of PHI and the maintenance of confidentiality of PHI arise. Volpara attempts to mitigate such cyber risks by ensuring that any such Cloud-based system has HIPAA-compliant firewalls, but that in itself may not be sufficient. Any Cloud-based system is subject to cyber-attacks or negligent or malicious action by an employee or contractor, and any inadvertent disclosure of PHI or breach of confidentiality of PHI while under the control of Volpara or its employees and contractors could lead to a damages claim and, if the Company is found liable, could have a material adverse effect on Volpara's reputation and financial performance.
Breach of privacy laws	Privacy laws around the world continue to develop and impose greater burdens on businesses when dealing with personally identifiable information. The laws are designed to give greater protections to data owners, improve transparency and require businesses develop better privacy practices and security processes. Failure to do so can result in pecuniary penalties, negative publicity, damage to brand and a requirement to improve processes and controls, each of which, were they to happen, would adversely impact Volpara's financial position.
Disruption or failure of technology and software systems	Volpara and its customers are dependent on the performance, reliability and availability of Volpara's platform, data centres and communications systems (including servers, the internet, hosting services and the cloud environment in which Volpara provides its products). There is a risk that these systems may be adversely affected by disruption, failure, service outages or data corruption that could occur as a result of computer viruses, "bugs" or "worms", malware, internal or external misuse by websites, cyber-attacks or other disruptions including natural disasters, power outages or other similar events.
Reliance on third party service providers	Volpara relies on certain contracts with third party service providers to facilitate the use of Volpara's products. In particular, Volpara relies on a third party service provider for Volpara's cloud hosting services. Volpara also relies on the use of third party service providers for system documentation, software layers and code management and monitoring and auditing Volpara's IT infrastructure and network. Any failure or disruption to the service provided from the third party service providers that Volpara's business relies on to efficiently operate could negatively impact Volpara's operating and financial performance. Volpara & MRS also require 3rd party licensing of certain software such as Tyrer-Cuzick, and the license holders might choose not to transfer licensing rights to the new entity or might choose to change contract terms.

Key Risks

Type of risk	Description of risk
Protection of intellectual property	The value of Volpara's products is partly dependent on Volpara's ability to protect its intellectual property, including trademarks, patents, copyright and moral rights. There is a risk that Volpara may be unable to detect the unauthorised use of Volpara's intellectual property rights in all instances. Further, actions that Volpara takes to protect its intellectual property may not be adequate or enforceable and thus may not prevent the misappropriation of, or copying or circumvention of, Volpara's intellectual property and proprietary information.
Breach of third party intellectual property rights	There is a risk that third parties may allege that Volpara's products use intellectual property derived from them or from their products without their consent. Volpara may be the subject of claims which could result in disputes or litigation, which could result in the payment of monetary damages, cause delays and increase costs, which in turn could have an adverse impact on Volpara's operations, reputation and financial performance.
Brand and reputation	The reputation and brand of Volpara and its products are important in attracting hospitals, medical clinics, large companies and healthcare professionals to use Volpara's products. Any reputation damage or negative publicity around Volpara or its products could adversely affect Volpara's customer relationships, general business and ultimately its financial performance. The actions of Volpara's employees, including breaches of any regulations to which Volpara is subject, or any negligence in the provision of data, may damage Volpara's brand.
Pricing	Volpara primarily generates revenue by charging annual subscription fees to its customers for the length of the contract which are based on both the type of product as well as the number of end users of that product. Upon completion of their contract, Volpara's customers may try to renegotiate contract terms for more favourable price discounts which, if agreed, would result in a direct reduction in the payments they make to Volpara and would have a negative impact on Volpara's financial performance. While Volpara may resist such attempts to renegotiate prices, business economics, market conditions or competitive forces may dictate such terms need to be accepted. In addition, Volpara does not currently incorporate any annual price increase clauses into its contracts, except at the end of the contract period, such as a price increase based on the level of a consumer price index. As a result, Volpara is currently unable to pass on any potential costs increases it may face in its business onto its customers. Consequently, any significant increase in costs that Volpara incurs could have a material adverse effect on Volpara's financial performance.
Failure to effectively manage growth	Volpara expects further organic growth in the future which could place significant strain on current management, operational and financial resources as well as the infrastructure supporting Volpara's platform. Volpara's future success depends, to a certain extent, on Volpara's ability to effectively manage this growth.
Failure to realise benefits from product research and development	Developing software and technology, particularly in the medical sector, is expensive and often involves an extended period of time to achieve a return on investment. An important aspect of Volpara's business is to continue to invest in innovation and related product development opportunities. Volpara believes that it must continue to dedicate resources to Volpara's innovation efforts to develop Volpara's software and technology-related product offering and to maintain Volpara's competitive position. Volpara may not however, receive benefits from these investments for several years or may not receive benefits from these investments at all.
Potentially adverse effects of healthcare reform legislation in the US and other countries and the impact of advocacy groups and sceptics	In recent years, there have been numerous initiatives at the US federal and state levels for comprehensive reforms affecting the payment for, the availability of, and the reimbursement for, healthcare services. Recent legislation and many of the proposed reform bills include funding to assess the comparative effectiveness of medical devices, being the equipment on which the Volpara products operate. It is unclear what impact the comparative effectiveness analysis will have on the Volpara products or Volpara's financial performance. If significant reforms are made to the healthcare system in the US, or in other jurisdictions, those reforms could adversely affect Volpara's financial condition and operating results.

Key Risks

Type of risk	Description of risk
Volpara may not be able to pass the regulatory hurdles and gain the necessary approvals and clearances to use its products in certain jurisdictions	Volpara currently has FDA clearance (FDA 510(k)) for its products *VolparaDensity™* and *Volpara Density Maps* and for its quality controls tool. However, as Volpara seeks to diversify its product range and develop new products, Volpara can neither guarantee that it will receive all necessary regulatory approvals, nor accurately predict the product approval timelines, cost or other requirements that may be imposed by regulators (e.g. clinical trials or other requirements proving effectiveness of its new products). Further, there may be changes to regulatory standards, which could delay or prevent Volpara from obtaining the necessary regulatory approvals or Volpara may disagree from time to time with the views taken by the FDA on certain products or the approval process adopted by the FDA. In addition, any future changes to the products or the treatment may require separate clearance or approval. Any delays or barriers to Volpara obtaining necessary regulatory clearances would limit the size of the market opportunity for the new products until such time (if any) that Volpara was able to obtain such clearances for its new products.
Volpara may not be able to successfully deploy its sales, marketing and distribution resources	Volpara will need to ensure compliance with all legal and regulatory requirements for sales, marketing and distribution in each relevant market. There is a risk that Volpara will be unable to successfully deploy its sales, marketing and distribution resources to fully realise the commercialisation of its products.
Volpara may be subject to competition from existing manufacturers of breast screening equipment	Volpara's products are designed to operate on most of the leading breast screening equipment manufactured globally, including equipment manufactured by market leaders Hologic, GE and Siemens. However, manufacturers such as Hologic also manufacture their own software, which can be used on their own equipment and possibly on other manufacturers' equipment. There is a risk that manufacturers such as Hologic make it a condition of the sale of their equipment that Hologic software be used with that equipment, and offer the product for free. This may make it more difficult for healthcare professionals to adopt Volpara's products and use them with their equipment, even though Volpara can successfully demonstrate that its products are superior to those being offered by the equipment manufacturers. If this were to happen, Volpara is likely to experience pressure on its sales, which would impact on its financial performance.
Tax treatment on an investment in New Shares and dividend risk	The tax treatment of an investment in New Shares will differ depending on each investor's personal circumstances. Investors should seek their own taxation advice in respect of the investment into Volpara. To date, Volpara has not paid any dividend on its ordinary shares. There is no certainty that Volpara will pay dividends in the future.
Capital raising	The Directors give no assurances that the objectives of Volpara outlined in this Presentation will be met. An investment in New Shares does not guarantee any return, including any guarantee that a shareholder will receive a return on their capital contributed. In the future, Volpara may wish to elect to issue shares or to engage in further capital raisings to help fund the growth of the business or working capital. While Volpara is subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12 month period without shareholder approval (subject to certain exceptions), shareholders at the time may be diluted as a result of such issues of shares under the capital raising.

Key Risks

General risks – In addition to the specific risks outlined above, the operating results and profitability of Volpara are sensitive to a number of general risk factors including those set out below.

Type of risk	Description of risk
General economic and share market risk	The performance of Volpara, in common with other companies, is subject to general economic conditions, movements in interest and inflation rates, and currency exchange rates which may have an adverse effect on Volpara's activities, as well as its ability to fund those activities. There are also risks associated with any investment in a company listed on the ASX. The value of shares may rise above or below the current share price, depending on the operational and financial performance of Volpara and a number of external factors over which none of Volpara, its Directors or its employees have any control. Those external factors include economic conditions in the US, Australia, New Zealand and other overseas jurisdictions which may impact equity capital markets; changing investor sentiment in Australia, New Zealand and other overseas share markets; changes in fiscal, monetary, regulatory or other government policies and developments and general conditions in the markets in which Volpara proposes to operate and which may impact on the future value and pricing of Volpara shares.
Product liability insurance	Volpara is exposed to potential product liability risks that are inherent in the research and development, manufacturing, marketing and use of its products. Volpara has product liability and professional indemnity insurance which the Directors consider is adequate at this time. However, there can be no assurance that adequate or necessary insurance coverage will continue to be available at an acceptable cost or in sufficient amounts, if at all, or that product liability or other claims would not materially and adversely affect the business or financial condition of Volpara (for instance, because the amount of such claims exceeds the level of insurance).
Disputes and litigation	In the ordinary course of business, Volpara may be involved in disputes or litigation from time to time. Any dispute or litigation brought by a third party, including any customer, supplier, business partner or employee may adversely impact the financial performance and industry standing of the business, particularly in the case where the final impact of any litigation is greater than, or outside the scope of, the insurance cover carried by Volpara.
Force majeure	Events may occur within or outside the US, Australia and New Zealand that could impact upon the global and/or US, Australian and New Zealand economies, the operations of Volpara and the price of its shares. Such events include, but are not limited to, acts of terrorism, cyber hostilities, outbreaks of international hostilities, fire, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or manmade events or occurrences that may have an adverse effect on the demand for Volpara products or Volpara's ability to conduct business. Volpara cannot insure against all risks.
Foreign exchange	Volpara's financial statements are presented in New Zealand dollars. A substantial portion of current sales revenue and costs are denominated in currencies other than New Zealand dollars, particularly in US dollars. Future changes in the exchange rates in the jurisdictions in which Volpara operates may adversely impact Volpara's financial performance. Movements in foreign exchange rates could also impact the cost competitiveness of both Volpara and its competitors. Any adverse movement in foreign exchange rates against Volpara but to the benefit of its competitors could affect Volpara's ability to obtain business which could adversely impact the future financial performance of Volpara. Movements in the exchange rate may also affect the decision of potential clients to enter certain markets.

Key Risks

Type of risk	Description of risk
Sales of shares by existing shareholders and shareholder continuity test	A number of Volpara shares held by substantial shareholders in Volpara were released from escrow in late April 2019 following a three year (including a one year voluntary extension) escrow period. Following the release of these shares there is a risk that any of these substantial shareholders (including Directors) may seek to sell-down a portion of their shareholding in Volpara. A significant sale of shares, or a perception that a sell-down may occur, could adversely affect the price of Volpara shares. Under New Zealand tax law, carry forward tax losses may only be used by Volpara to offset future taxable gains where Volpara continues to satisfy the "shareholder continuity test". As Volpara grows and it raises more equity capital, which dilutes its original major shareholders, Volpara becomes increasingly exposed to failing to continue to satisfy the shareholder continuity test under the tax law. As Volpara discloses in its annual financial statements on an ongoing basis, the result is that Volpara is unlikely to be able to continue to use certain carry forward tax losses to offset future taxable gains in the company.
Unforeseen increase in operating costs	Volpara's future financial performance is dependent, to a certain extent, on the level of capital expenditure that is required to maintain its assets. Any significant unforeseen increase in the capital and operating costs associated with Volpara's operations would impact its future cash flow and profitability.
Accounting standards	MRS currently complies with US GAAP accounting standards, while Volpara complies with NZ IFRS accounting standards. While most standards are the same or similar, some differences do exist between US GAAP and NZ IFRS, such as capitalisation of R&D costs, revenue recognition and lease accounting. Following the Acquisition, MRS will comply with existing Volpara NZ IFRS accounting standards. While Volpara does not anticipate any changes in accounting treatment for MRS to be significant in the context of Volpara's financial position, some differences may arise following the Acquisition which could impact Volpara's financial performance.
Legal, regulatory and tax	Volpara is exposed to any changes in regulatory conditions in the jurisdictions in which it operates. Such regulatory changes can include, but are not limited to, changes in applicable law (including tax laws), changes in interpretation of existing laws, changes in policies, regulations standards and practices (including changes in tax or accounting policies), each of which may impact the operations and business practices of Volpara and its management. Any change in the current rate of company income tax in New Zealand or any other jurisdiction in which Volpara operates may impact upon the financial performance and cash flows, ability to pay dividends and Volpara's share price which in turn could impact shareholder returns.
Other risks	The above risks should not be taken as a complete list of the risks associated with an investment in Volpara or Volpara shares. The risks outlined above and other risks not specifically referred to may in the future materially adversely affect the value of Volpara shares and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by Volpara in respect of Volpara shares.

International offer restrictions

This document does not constitute an offer of New Shares of Volpara in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia (or in the case of the Entitlement Offer, outside Australia and New Zealand), except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

International offer restrictions

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws."

Australia

The offer of New Shares is being made in Australia only to persons who meet the requirements of section 708(8) or section 708(11) of the Corporations Act 2001 (Cth) as either a professional or sophisticated investor or the requirements of section 761G of the Corporations Act 2001 (Cth) as a wholesale client.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (**FMC Act**). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.