



21 August 2019

ASX ANNOUNCEMENT

APPENDIX 4E – Financial Year Ended 30 June 2019

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 4E – Preliminary Final Report for the financial year ended 30 June 2019.

Revenue and Financial Performance Highlights:

- Revenue from SOZO® for FY19 up 229% from previous year to \$2.3 million (FY18: \$0.7 million);
- Total Revenue for FY19 up over 25% from the previous year to \$4.2 million (FY18: \$3.3 million);
- Contracted Revenue Pipeline¹ up 149% from the previous year to \$8.7 million (30 June 2018: \$3.5 million);
- Annual Recurring Revenue² for SOZO contracts as of 30 June 2019 up 162% to \$3.4 million (30 June 2018: \$1.3 million);
- Over 400 contracted SOZO devices at 30 June 2019 (up from 202 at 30 June 2018);
- Cash receipts from customers for the year of \$4.5 million, with net operating cash outflow for the year of \$19.6 million;
- Cash on hand as of 30 June 2019, of \$11.3 million; and
- Pro Forma cash balance of \$24.3 million, including the net proceeds from Entitlement Offer that closed on 19 July 2019.

Other Operational Highlights include:

- Publication of the peer-reviewed manuscript of the PREVENT interim analysis;
- The American Society of Breast Surgeons (ASBrS) issued a press release and the abstract submitted on the interim results of the PREVENT Trial;
- Publication of “Early Surveillance Is Associated With Less Incidence and Severity of Breast Cancer-Related Lymphedema Compared With a Traditional Referral Model of Care” in Cancer;
- Bioimpedance spectroscopy and L-Dex® Recommended in Several Leading Journals;
- Receipt of a multi-year national purchasing agreement for the SOZO Digital Health Platform from Ascension Health Resources;

¹ **Contracted Revenue Pipeline (CRP):** Future period revenue amounts related to TCV³ that are yet to be reported as recognised revenue.

² **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.

³ **Total Contract Value (TCV):** Total value of customer contracts including one-time and recurring revenue.

- Became Business Associate compliant with the launch of our third-generation SOZO Software 3.0, which offers a new interface that is easier to navigate, while significantly reducing customer set-up time;
- Commenced 200 Patient Heart Failure Study;
- Publication of the full manuscript of the previously announced abstract “Correlation of Limb Bioimpedance to Echocardiographic Indicators of Congestion in Patients with NYHA Class II/III Heart Failure” in the Cardiology and Vascular Research journal; and
- Affirmed FY20 Guidance to deliver reported FY20 revenue of A\$7.0 million to A\$10.0 million, Annual Recurring Revenue of A\$6.0 million to A\$10.0 million and a Contracted Revenue Pipeline of A\$18.0 million to A\$24.0 million by end FY20.

“ImpediMed has made excellent progress in our transition to a digital health company this year. We have strong momentum as we enter FY20, with more than 400 SOZO Digital Health Platforms in the market and well over 100% growth in both Annual Recurring Revenue and Contracted Revenue Pipeline”, said Richard Carreon, Managing Director and CEO of ImpediMed. “This momentum is continuing and, in accordance with our guidance, we expect to deliver strong SOZO revenue growth again this year,” added Mr Carreon.

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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.

Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on management's beliefs, assumptions and expectations and on information currently available to management.

All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements, including without limitation our expectations with respect to our ability to expand sales and market acceptance in the US and Australia including our estimates of potential revenues, costs, profitability and financial performance; our ability to develop and commercialize new products including our ability to obtain reimbursement for our products; our expectations with respect to our clinical trials, including enrolment in or completion of our clinical trials and our associated regulatory submissions and approvals; our expectations with respect to the integrity or capabilities of our intellectual property position.

Management believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. ImpediMed does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. ImpediMed may not actually achieve the plans, projections or expectations disclosed in forward-looking statements. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

ImpediMed Limited - Appendix 4E

ABN 65 089 705 144

Preliminary final report

1

Current Financial Period Ended:

30 June 2019

Previous Corresponding Reporting Period:

30 June 2018

The information contained in this document should be read in conjunction with the ImpediMed Limited Annual Financial Report for the year ended 30 June 2019 ("2019 Annual Report") and any public announcements made by ImpediMed Limited and its controlled entities during the year in accordance with continuous disclosure obligations arising under the ASX Listing Rules. Certain prior year amounts have been reclassified for consistency with the current reporting period presentation.

2

Results for announcement to the market

Current reporting period

\$000

Previous corresponding period

\$000

2.1

Revenue from ordinary activities

\$

4,156

\$

3,318

Increase (decrease) in revenue (\$000):

\$

838

Percentage increase (decrease):

25%

Note: Revenue related to goods and services for the year ended 30 June 2019 were \$4.2 million (2018 \$3.3 million). Within the Medical Segment, the SOZO product revenue was \$2.3 million (2018: \$0.7 million) and Legacy Revenue was \$1.8 million (2018: \$2.6 million).

2.2

Profit/(loss) from ordinary activities after tax attributable to members

(23,996)

(27,248)

Increase/(decrease) in profit from ordinary activities after tax attributable to members (\$000):

\$

3,252

Percentage increase/(decrease):

12%

Note: Loss from ordinary activities after tax relates to Net Loss from Continuing Operations. Refer to the Directors' Report for a more extensive analysis; however, in summary, offsetting the decrease in revenue are the below offsetting movements from ordinary activities above:

- salaries and benefits expense decreased by \$0.6 million,

- share-based payments decreased by \$0.5 million,

- administrative and governance decreased by \$0.9 million, and

- consultants and professional fees decreased by \$1.1 million.

2.3

Net profit/(loss) for the period attributable to members

(24,123)

(27,372)

Increase/(decrease) in net profit for the period attributable to members (\$000):

\$

3,249

Percentage increase/(decrease):

12%

Note: Refer to 2.2 above and to the Directors' Report in the 2019 Annual Report.

3

Dividends

3.1

Dividends

Nil

There were no dividends declared and paid during the reporting period on ordinary shares.

There were no dividends proposed and not yet recognised as a liability during the reporting period.

3.2

Dividend Record Date

Not applicable

4 Financial Statements		
4.1 Statement of comprehensive income Refer to the Consolidated Statement of Comprehensive Income in the 2019 Annual Report.		
4.2 Statement of financial position Refer to the Consolidated Balance Sheet in the 2019 Annual Report.		
4.3 Statement of cash flows Refer to the Consolidated Cash Flow Statement in the 2019 Annual Report.		
4.4 Statement of retained earnings Refer to the Consolidated Statement of Changes in Equity in the 2019 Annual Report for movements in retained earnings.		
5 Net tangible assets per security		
	Current reporting period	Previous corresponding period
5.1 Net tangible assets (\$000)	10,410	32,300
Issued share capital at reporting date (\$000)	219,727	219,746
	Current reporting period	Previous corresponding period
Number of shares on issue at reporting date	379,803,987	378,993,655
Net tangible assets per security	\$ 0.03	\$ 0.09
6 Earnings per security (EPS)		
	Current reporting period	Previous corresponding period
6.1 Weighted average number of ordinary shares (excluding reserved shares) for basic earnings per share (EPS)	379,229,784	377,041,819
Loss per share from continued operations		
Basic EPS	\$ (0.06)	\$ (0.07)
Loss per share from profit attributable to ordinary shares		
Basic EPS	\$ (0.06)	\$ (0.07)
Diluted earnings per share has been determined to be the same as basic earnings per share as the actual calculation is anti-dilutive for both periods presented.		
Refer to <i>Note 2 - Earnings per Share</i> in the Annual Report for the year ended 30 June 2019 for additional information pertaining to EPS for the current reporting period.		
7 Acquisitions and divestments In October 2018, the Group divested XiTRON Technologies, Inc., a wholly owned subsidiary of ImpediMed. Refer to <i>Note 29 - Discontinued Operations</i> in the Annual Report for the year ended 30 June 2019 for additional information pertaining to segment results for the current reporting period.		
8 Foreign entities Not applicable.		
9 Associates and joint ventures Not applicable.		
10 Commentary on results for the financial year Refer to the Annual Report for the year ended 30 June 2019.		
11 Results of segments Refer to <i>Note 4 - Segment Reporting</i> in the Annual Report for the year ended 30 June 2019 for additional information pertaining to segment results for the current reporting period.		
12 Audited Report The report is based on audited accounts which are not subject to dispute, modification, or qualification.		