

ASX RELEASE

Appendix 4D - Volpara Half-Year Financial Results

Wellington, NZ, 20 November 2019: [Volpara Health Technologies](#) ("Volpara"; ASX: VHT), an SaaS medical technology company whose AI imaging algorithms assist the early detection of breast cancer, has today released its Half-Year Financial Results Report together with the Appendix 4D and a Half-Year Results Investor Presentation for the period ended September 30, 2019 (H1 FY20).

Key financial and operational highlights:

- Successful acquisition of Seattle-based MRS Systems (MRS) for US\$14.6M
- Raised A\$55M in capital during the first quarter
- Total revenue from customers of NZ\$6.84M, up 197% compared to the prior corresponding period
- Cash balance and cash equivalents as at 30 September 2019 of NZ\$40.2M with no debt
- Annual Recurring Revenue (ARR) as at 30 September 2019 of NZ\$15.7M, compared to NZ\$4.8M at the end of H1 FY19
- Percentage of women having a Group product applied on their images and data of ~25.8%, up from 5.6% on the prior corresponding period
- SaaS revenue from customers up 63% to NZ\$2.93M, compared to the prior corresponding period

Outlook:

- The smooth integration of MRS Systems into Volpara has provided the Company with a full suite of breast-screening products and an enhanced data base that can now be optimised going forward. It will enable Volpara to increase the number of women in the key US market who have a Volpara product used in their treatment for breast cancer
- Volpara has made a substantial investment in research and development and will roll out a major new product suite at the upcoming RSNA (Radiological Society of North America) trade show in Chicago in December
- Volpara is on track to meet its mid-range forecast for ARR for the year of NZ\$17.1M (US\$11.5M)
- Volpara also remains on track to achieve its forecast of 27% of US women having a Group product applied on their images and data

The CEO of Volpara, Dr Ralph Highnam, said: "This past half-year has positioned us well financially for our next stage of growth. We have funds from a successful capital raise, a more solid cash position, stronger revenue streams and a full suite of breast-screening products.

"MRS Systems has been successfully integrated into Volpara, and we are already seeing our hard work translate into increased customer numbers. We can now optimise the benefits that MRS has brought to Volpara, which includes a bolstered data base. We come to the table with a stronger offering to help our patients beat cancer."

Investor Conference Call

The Company is holding a conference call at 09:00 am AEST (11:00 am NZST), Wednesday, 20 November 2019 to discuss the half-year results.

If you are unable to use register in advance, then at the time of the conference you can call one of the numbers below and provide the **conference ID 10002651** to an operator.

AUSTRALIA:	1800558698
ALT. AUSTRALIA:	1800809971
OTHER INTERNATIONAL (METERED):	+61731454010
SYDNEY:	0290073187
NEW ZEALAND:	0800453055
AUCKLAND:	099291687
CHRISTCHURCH:	039742632
WELLINGTON:	049747738
BELGIUM:	080072111
CHINA:	4001200659
FRANCE:	0800981498
GERMANY:	08001827617
HONG KONG:	800966806
INDIA:	0008001008443
INDONESIA:	18030193275
IRELAND:	1800948625
ITALY:	800793500
JAPAN:	00531161281
MALAYSIA:	1800816294
NORWAY:	80069950
PHILIPPINES:	180011101462
SINGAPORE:	8001012785
SOUTH AFRICA:	0800999976
SOUTH KOREA:	00798142063275
SWEDEN:	020791959
SWITZERLAND:	0800820030
TAIWAN:	00801127397
THAILAND:	0018001562063275
UAE:	800035702705
UK:	08000518245
USA/CANADA:	18558811339
CHICAGO:	18153732080
LOS ANGELES:	19092354020
NEW YORK:	19142023258

ENDS

For further information, please contact:

Ralph Highnam, CEO
Volpara Health Technologies
ralph.highnam@volparasolutions.com
t: +64 21 149 0541

Trevor Chappell
WE Communications
tchappell@we-worldwide.com
t: +61 3 9866 1215

ABOUT VOLPARA HEALTH TECHNOLOGIES LIMITED (ASX: VHT)

VHT is a MedTech SaaS company founded in 2009 on research originally conducted at Oxford University. VHT's clinical applications for screening clinics provide feedback on breast density, compression, dose, and quality, while its enterprise-wide practice software management helps with productivity, compliance, reimbursement, and patient tracking.

VHT's technology and services have been used by customers and/or research projects in 38 countries and are supported by numerous patents, trademarks, and regulatory clearances, including FDA clearance and CE marking. Since its listing on the ASX in April 2016, VHT has raised A\$95 million, including A\$55 million in June 2019. VHT is based in Wellington, New Zealand.

At the end of June 2019, VHT acquired MRS, a company based in Seattle, WA. MRS provides mammography reporting systems to over 1,600 breast clinics and hospitals, and to VHT a much stronger US presence, experienced local headquarters, and accelerated sales through cross-selling opportunities.

For more information, visit www.volparasolutions.com.

Appendix 4D

In accordance with Listing Rule 4.2A, please find attached the Half-Year Appendix 4D for the period ended 30 September 2019.

It is recommended that this Appendix 4D half-year report be read in conjunction with the Interim Financial Report for the period ended 30 September 2019, the Annual Report for the year ending 31 March 2019 and any public announcements made by the company during the half-year.

Volpara Health Technologies Limited

Results for announcement to the market Half-Year Report 30 September 2019

Name of Entity

Volpara Health Technologies Limited
(the "Company" or "Group")

ARBN

609 946 867

Reporting Period

30 September 2019

Previous Corresponding Reporting Period

30 September 2018

Dividends

NZ\$nil.

Net tangible assets

Net tangible assets backing per ordinary share (NZ\$0.17) (six months to 30 September 2018: NZ\$0.11).

Details of associate and joint venture entities

None.

Details of entities over which control has been gained or lost during the period

MRS Systems, Inc. was acquired during the period.
No entities were disposed of due to loss of control during the period.

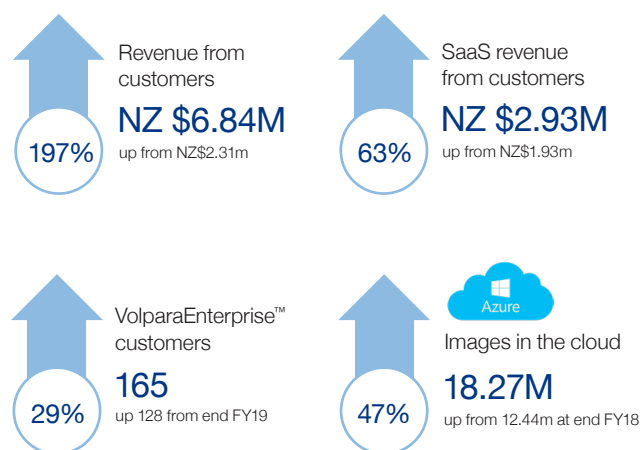
Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group during the period ended 30 September 2019.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5 of the Interim Financial Report.

Highlights from reporting period



Appendix 4D (continued)

	6 months to 30 Sept. 2019 Unaudited	6 months to 30 Sept. 2018 Unaudited	Amount change Unaudited	Percentage change Unaudited
	NZ\$'000	NZ\$'000	NZ\$'000	%
Revenue from ordinary activities	7,344	2,662	↑ 4,682	176%
Operating loss	(8,356)	(5,373)	↑ (2,983)	56%
Net loss before tax	(8,028)	(5,182)	↑ (2,846)	55%
Net loss after tax for the period	(8,008)	(5,119)	↑ (2,889)	56%

Revenue breakdown

	Variance Unaudited	6 months to 30 Sept. 2019 Unaudited	6 months to 30 Sept. 2018 Unaudited
	NZ\$'000	NZ\$'000	NZ\$'000
Software as a Service	↑ 63%	3,141	1,925
Software maintenance agreements	↑ 1,098%	2,049	171
Capital sales	↑ 680%	1,654	212
Revenue from customers	↑ 197%	6,844	2,308
Grants	↑ 41%	500	354
Total revenue	↑ 176%	7,344	2,662

Note:

The information provided in this Appendix 4D is based on the Volpara Health Technologies Limited Interim Financial Report for the financial half-year ended 30 September 2019.

Volpara Health Technologies Limited Interim Financial Report for the financial half-year ended 30 September 2019 has been subject to review by the Company's auditors. A copy of the Independent Review Report is included in the Interim Financial Report.