



26 August 2020

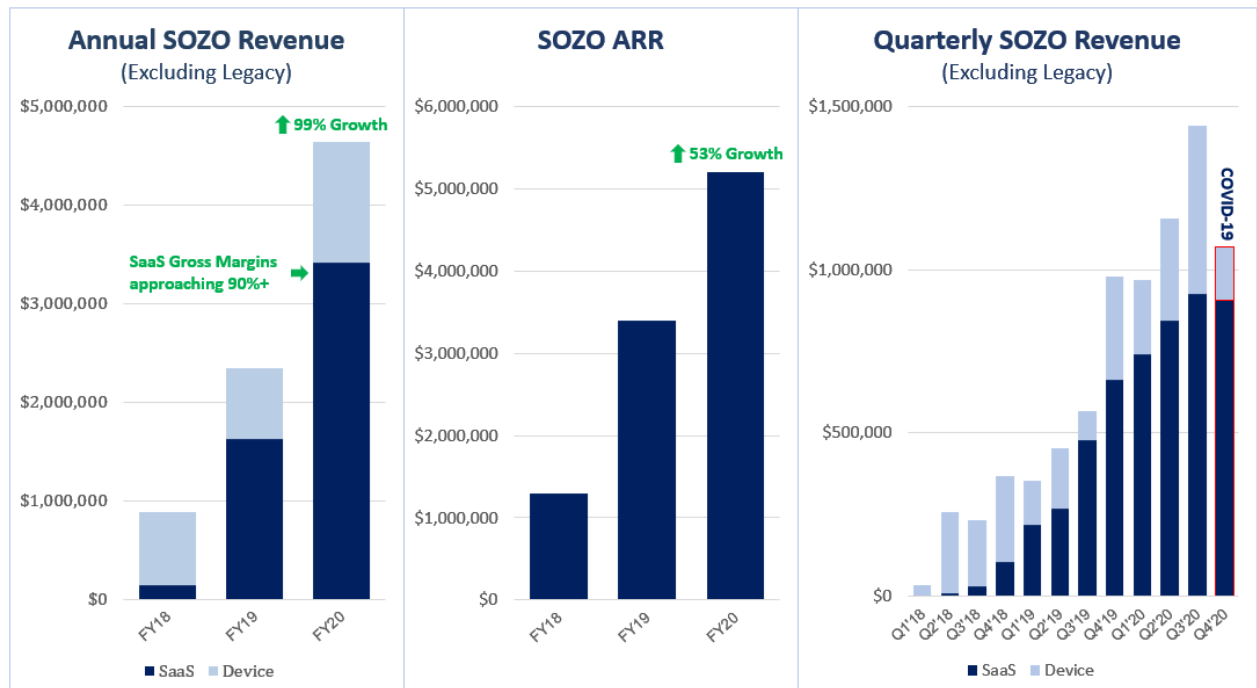
ASX ANNOUNCEMENT

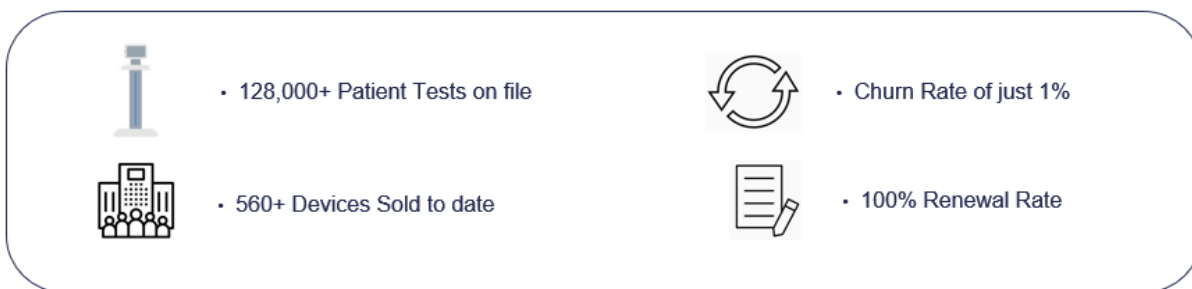
APPENDIX 4E – Financial Year Ended 30 June 2020

Brisbane, Australia – ImpediMed Limited (ASX:IPD), a medical software technology company that non-invasively measures, monitors and manages fluid status and tissue composition using bioimpedance spectroscopy (BIS), today released its Appendix 4E – Preliminary Final Report for the financial year ended 30 June 2020.

Highlights:

- SOZO Revenue grew by **99%** to \$4.7 million (30 June 2019: \$2.3 million).
- Total Revenue grew by 38% to \$5.7 million (30 June 2019: \$4.2 million).
- SOZO SaaS Revenue grew by 110% to \$3.4 million (30 June 2019: \$1.6 million), demonstrating the strength of the recurring revenue from SOZO accounts.
- SOZO Annual Recurring Revenueⁱ grew by **53%** to \$5.2 million (30 June 2019: \$3.4 million).
- SOZO SaaS Gross Margin steadily increased over FY'20, with 86% Gross Margin in June 2020. SOZO SaaS Gross Margin is expected to increase to over 90% in FY'21.
- Significantly strengthened balance sheet with closing cash balance at 30 June 2020 of \$19.7 million.





SaaS Metrics and Operational Highlights:

- Total patient tests on file are over 128,000, as hospitals continue to test at-risk patients during COVID-19, demonstrating SOZO is becoming standard of care.
- More than 560 SOZO units sold since launch, representing over 40% growth.
- Renewal Rate of 100% on all 30 contracts up for renegotiation during the year, with the majority of US contracts renewing for an additional 36 months.
- Churn Rate remains low at just 1%, demonstrating the staying power of the SOZO technology, as the Group experienced very minimal negative impacts from COVID-19 related customer cancellations.
- Contracted Revenue Pipelineⁱⁱ grew by 25% to \$10.9 million (30 June 2019: \$8.7 million).
- Cash receipts from customers for the year of \$5.4 million (FY'19: \$4.5 million).
- Net operating cash outflows for the year of \$19.2 million (FY'19: \$19.6 million).
- Net loss from continuing operations for the year of \$21.4 million (FY'19: \$24.0 million).
- Refer to the Annual Report for the full details related to the Company's results, Milestones and News Flow.

“Our transformation into a digital health company has allowed the Company to successfully navigate through a very complex and challenging time during the global COVID-19 pandemic. The SOZO digital health platform puts us in a strong position to thrive during these turbulent times, as we continue to expand our lymphoedema business and enter into the next phase of growth with the release of our heart failure and renal software,” said Richard Carreon, Managing Director and CEO of ImpediMed. “This rapid transformation, along with the release of important clinical data, places the Company in a strong position to accelerate growth in the coming years,” he continued.

Approved for release by the Managing Director and CEO, Mr Richard Carreon.

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About ImpediMed

Founded and headquartered in Brisbane, Australia with US and European operations, ImpediMed is a medical software technology company that non-invasively measures, monitors and manages fluid status and tissue composition using bioimpedance spectroscopy (BIS).

ImpediMed produces a family of FDA cleared and CE Marked medical devices, including SOZO[®] for multiple indications including heart failure, lymphoedema, and protein calorie malnutrition, 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 commercialise 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.

ⁱ **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.

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

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

CRP, ARR and TCV are unaudited, non-IFRS financial metrics that do not represent revenue in accordance with Australian Accounting Standards.

ImpediMed Limited - Appendix 4E			
ABN 65 089 705 144			
Preliminary final report			
1	Current Financial Period Ended:	30 June 2020	
	Previous Corresponding Reporting Period:	30 June 2019	
The information contained in this document should be read in conjunction with the ImpediMed Limited Annual Financial Report for the year ended 30 June 2020 ("2020 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	\$ 5,741	\$ 4,156
	Increase (decrease) in revenue (\$000):		\$ 1,585
	Percentage increase (decrease):		38%
Note: Revenue related to goods and services for the year ended 30 June 2020 were \$5.7 million (2019 \$4.2 million). Within the Medical Segment, the SOZO product revenue was \$4.7 million (2019: \$2.3 million) and Legacy Revenue was \$1.0 million (2019: \$1.8 million).			
2.2	Profit/(loss) from ordinary activities after tax attributable to members	(21,377)	(23,996)
	Increase/(decrease) in profit from ordinary activities after tax attributable to members (\$000):		\$ 2,619
	Percentage increase/(decrease):		11%
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, accompanying the increase in revenue are the below substantial movements from ordinary activities above: - other income increased by \$1.5 million, - share-based payments decreased by \$0.6 million, and - clinical trials and research and development increased by \$0.4 million.			
2.3	Net profit/(loss) for the period attributable to members	(21,377)	(24,123)
	Increase/(decrease) in net profit for the period attributable to members (\$000):		\$ 2,746
	Percentage increase/(decrease):		11%
Note: Refer to 2.2 above and to the Directors' Report in the 2020 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 2020 Annual Report.		
4.2 Statement of financial position		
Refer to the Consolidated Balance Sheet in the 2020 Annual Report.		
4.3 Statement of cash flows		
Refer to the Consolidated Cash Flow Statement in the 2020 Annual Report.		
4.4 Statement of retained earnings		
Refer to the Consolidated Statement of Changes in Equity in the 2020 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)	20,839	10,410
Issued share capital at reporting date (\$000)	250,563	219,727
	Current reporting period	Previous corresponding period
Number of shares on issue at reporting date	1,001,697,261	379,803,987
Net tangible assets per security	\$ 0.02	\$ 0.03
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)	595,167,164	379,229,784
Loss per share from continued operations		
Basic EPS	\$ (0.04)	\$ (0.06)
Loss per share from profit attributable to ordinary shares		
Basic EPS	\$ (0.04)	\$ (0.06)
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 2020 Annual Report for additional information pertaining to EPS for the current reporting period.		
7 Acquisitions and divestments		
Not applicable.		
8 Foreign entities		
Not applicable.		
9 Associates and joint ventures		
Not applicable.		
10 Commentary on results for the financial year		
Refer to the 2020 Annual Report for the year ended 30 June 2020.		
11 Results of segments		
Refer to <i>Note 4 - Segment Reporting</i> in the 2020 Annual Report for additional information pertaining to segment results for the current reporting period.		
12 Audited Report		
The audit report prepared by the independent auditor Ernst & Young has been issued with an Emphasis of Matter paragraph regarding material uncertainty to Going Concern and is provided with the 2020 Annual Report.		