



22 August 2023

ASX ANNOUNCEMENT

MARKET UPDATE: EXECUTING TOWARDS PROFITABILITY IN ONCOLOGY

ImpediMed Limited (ASX.IPD) today reaffirms our focus on cash flow break-even and profitability within previously stated timelines (outlined below), as well as our future plans for our Heart and Renal Failure programs. To assist shareholders, we provide the following information.

Key Points

- The Company’s recently announced accelerated Growth Plan¹ creates **targeted market share and revenue at profitability significantly higher than versus the prior Break-even Plan.**
 - This will mean that the Company will achieve its profitability goals with far greater momentum and with a far more rapid outlook for profits beyond break-even.
- Achieving a strong commercial foothold in Oncology is the key to the success of ImpediMed.
 - **The first mover opportunity within Oncology is significant and immediately available to the Company.**
 - Cancer-related lymphoedema is our beachhead offering within Oncology, but there are many more applications for our SOZO[®] technology within Oncology to increase our subscription fee within our existing customer base.
- Significant momentum with Private Payors is creating an expanded sales pipeline.
- Heart and Renal Failure are opportunities of the future, but at the right time.
- ImpediMed remains committed to the ASX listing for the long-term.

Targeted Market Share and Revenue at Profitability Significantly Increased Versus Break-Even Plan

- With the appropriate resources now available to accelerate scale, ImpediMed’s current oncology focused Growth Plan results in far greater outcomes for the Company, in approximately the same timeframe as the previously stated Break-Even Plan:

	BREAK-EVEN PLAN Prior to NCCN Guidelines [®] inclusion	GROWTH PLAN ¹ Post NCCN Guidelines [®] inclusion and Capital Raise
Reimbursement Strategy	Grind out payor wins via Case Assistance Program data and Regional Payors	NCCN Guidelines[®] inclusion and accelerated Payor wins
Timeline	6 - 8 quarters	6 - 10 quarters
Initial Market Share Targeted	2% - 4%	5% - 10%
Aspirational Market Share Targeted	N/A	30%+
per annum Targets at time of Break-even:		
Revenue Targets	\$20m - \$40m	\$50m - \$100m
Cost Basis	\$(20)m - (25)m	\$(35)m - \$(40)m
Net Cash Flow	\$0m - \$15m	\$15m - \$60m

¹ Announced as part of the recent Capital Raise. Refer to the Capital Raise Investor Presentation released to the ASX on 20 May 2023 for additional information.

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- Prior to the recent capital raise, the Company was operating under a slower growth break-even plan that equated to a 2% - 4% market share at the time of achieving cash flow break-even, with a slow to moderate growth path thereafter.
- Based on the accelerating timelines for Private Payor policies and the funding from the capital raise, the Company is targeting profitability with a market share of 5% - 10% in approximately the same timeframes, with a high growth path thereafter.



^ Market share refers to percentage of Total Addressable Market for Breast Cancer patients at risk of Breast Cancer Related Lymphoedema

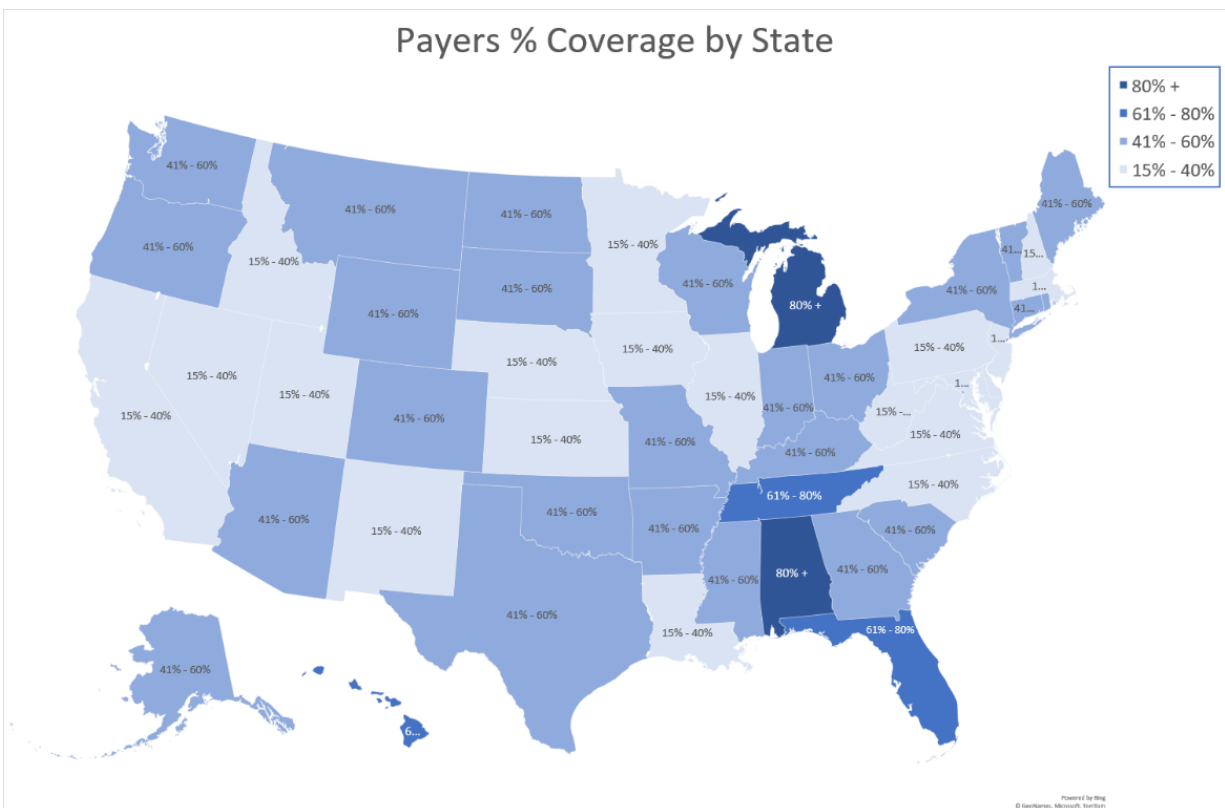
^^ Break-even modelling refers to the modeling and focus the Company has been operating under prior to inclusion on NCCN Guidelines®.

* BCRL = Breast Cancer Related Lymphoedema market

Refer to the Capital Raise Investor Presentation released to the ASX on 20 May 2023 for additional information.

Significant Momentum with Private Payors is Creating Expanded Sales Pipeline

- Critical mass (>80% covered lives) achieved in Michigan and Alabama.
- More than half of the U.S. states now have >40% covered lives, with many key markets quickly approaching critical mass.
- This increasing coverage across the U.S. is further expanding the sales pipeline.
- **We're seeing the initial shift from 1 SOZO system per contract to 3-4 SOZO systems per contract.**



*Based on data available through 18 August 2023



Heart and Renal Failure are Opportunities of the Future, but at the Right Time

- Our potential applications in both Heart and Renal are relatively early stage in their development and require significant human resources and invested cost to meaningfully progress.
- Expanding activities in Heart and Renal Failure today would impact the resource committed to our primary market opportunity.
- ImpediMed continues to advance the technology for these indications for future development. However, in light of the scale of the oncology opportunity, diverting our focus to heart or renal at this time is not in the interests of our shareholders.

ImpediMed Remains Committed to the ASX Listing for the Long-term

The ImpediMed Board and Management team believe that the ASX is the appropriate listing for the Company, and can confirm there is no intention to leave the ASX or seek listing on the NASDAQ or any other foreign exchange.

Commenting on the strategic focus of the Company, ImpediMed Managing Director and Chief Executive Officer, Richard Valencia, stated, “When the NCCN Guidelines® for Survivorship were updated in March 2023, our addressable market in the U.S. doubled to over \$2 billion. This opportunity is real and it’s very significant, and our quick response to ensure we’re resourced to scale up to meet this opportunity has positively changed what our future will look like.

“We’re at a critical juncture in our business strategy and growth, and any distraction could have a significant adverse impact both operationally and in terms of market perception. Following last week’s conference call, we are meeting with shareholders throughout this week to ensure that this important message is relayed and to further engage with you all,” he continued.

Approved for release by the Managing Director & CEO, Richard Valencia.

Refer to the Capital Raise Investor Presentation released to the ASX on 20 May 2023 for additional information related to this announcement.

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About ImpediMed

Founded and headquartered in Brisbane, Australia with US and European operations, ImpediMed is a medical technology company that uses bioimpedance spectroscopy (BIS) technology to generate powerful data to maximise patient health. ImpediMed produces the SOZO[®] Digital Health Platform, which is FDA-cleared, CE-marked, and ARTG-listed for multiple indications, including lymphoedema, heart failure, and protein calorie malnutrition and sold in select markets globally.

In March 2023, the NCCN Clinical Practice Guidelines In Oncology (NCCN Guidelines[®]) for Survivorship were updated and reference bioimpedance spectroscopy as the recommended objective tool to screen at-risk cancer patients for early signs of lymphoedema. With the SOZO Digital Health Platform and L-Dex[®], ImpediMed is the only company to offer FDA-cleared technology that uses bioimpedance spectroscopy for the clinical assessment of lymphoedema. The connected digital health platform and large, attractive cancer-related lymphoedema market present an opportunity for continued strong growth through ImpediMed's SaaS subscription-based business.

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.