

ASX RELEASE

Volpara FY24 Annual Unaudited Results

Highlights:

- Volpara achieved record revenue from customer contracts, surpassing the guidance and reaching NZ\$42.7M, up 22% (20% constant currency). Initial guidance ranged between NZ\$40.0M and NZ\$42.0M.
- Normalised non-GAAP EBITDA¹ improved 91% to -NZ\$0.5M – the Company achieved its first ever positive Normalised non-GAAP EBITDA half-year of NZ\$0.8M
- Volpara achieved both operating and net free cash flow² positive in FY24, improving by NZ\$6.6m (or 171%) to NZ\$2.7m and NZ\$7.1M (or 101%) to NZ\$0.1M respectively – both significantly ahead of guidance
- Cash receipts from operations improved 20% (18% constant currency) to NZ\$46.5m

Wellington, NZ, 21 May 2024: [Volpara Health Technologies](#) (“Volpara,” “the Group,” or “the Company”; ASX:VHT), a global leader in software for the early detection of breast cancer, has today released its unaudited full-year results for the financial year ended 31 March 2024.

On FY24, Volpara CEO & MD Teri Thomas said: “It's immensely gratifying to conclude our time listed on the ASX on a high note. We continue our focus on saving ever more lives from cancer.”

Record revenue

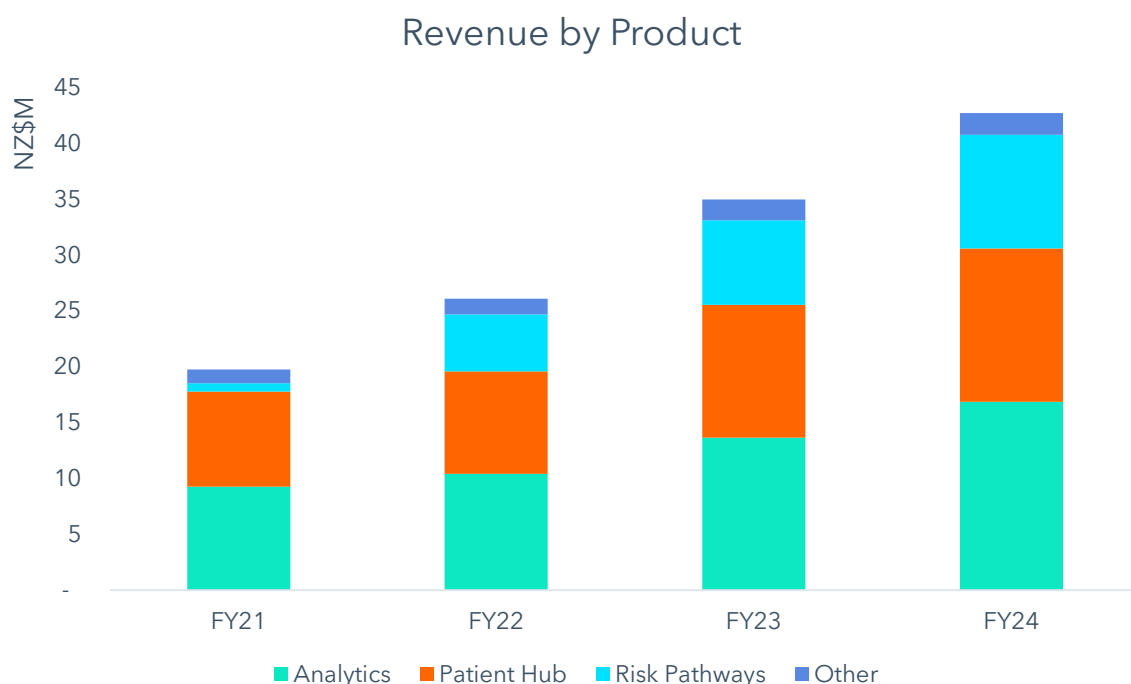
Volpara surpassed its full-year revenue guidance for the year ended 31 March 2024 to deliver NZ\$42.7M (or 20% in constant currency) up by NZ\$7.7M, or 22%, from NZ\$35.0M in FY23. Subscription revenues grew by 23% or NZ\$7.8M year on year and on the other hand, capital revenues, declined 8% or NZ\$0.1M during the year.

Volpara saw solid growth in all 3 core products, namely Analytics™ (incl. Scorecard), Patient Hub™ (excl. legacy support which is being phased out) and Risk Pathways™, which grew 24%, 59% and 35% respectively.

¹ Non-GAAP measures are not prepared in accordance with NZ GAAP, do not comply with International Financial Reporting Standards and therefore are not uniformly defined. The non-GAAP measures reported in this document may not be comparable with those that other companies report and should not be viewed in isolation. Non-GAAP measures have been included as we believe they provide useful information for users of the financial statements that assist in understanding Volpara's financial performance.

² Net free cash flow excludes proceeds from divestment of investments, payments and receipts on term deposits and proceeds from the exercise of share options.

The "Other" category, which includes revenue from capital, Lung and Genetic lab interfaces (along with other items), also demonstrated an overall increase compared to the previous period despite the slight decline in capital revenues.



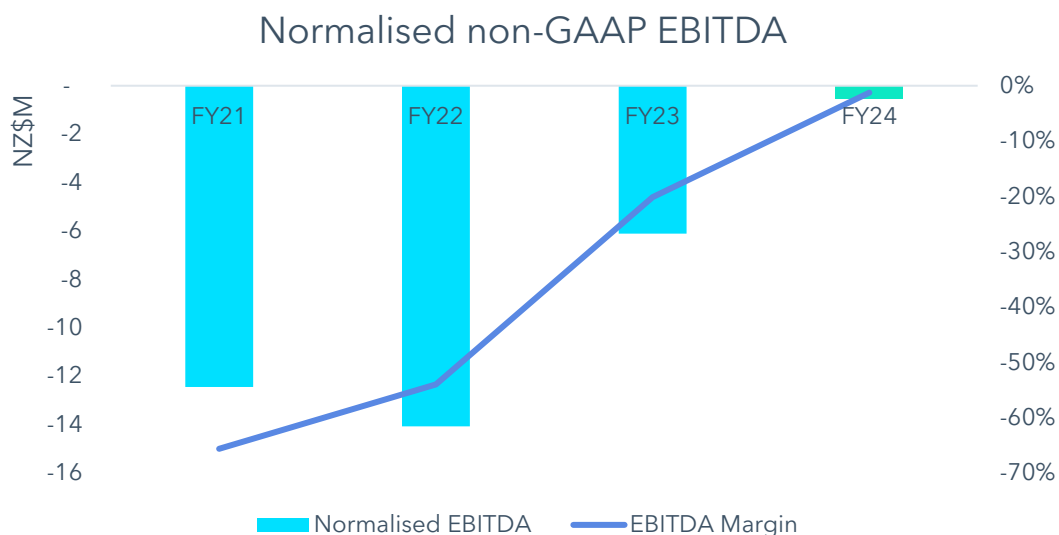
Note: Analytics includes Scorecard, Density Support & Live™. Patient Hub includes MRS Support & Risk™

91% EBITDA improvement

Following on from success of the revised strategy, announced in July 2022, where Volpara managed to improve EBITDA by 57%, the company has followed that up with another successful year of carefully managing our costs whilst also maintain our top line revenue growth – both FY23 and FY24 achieved 20% constant current revenue growth.

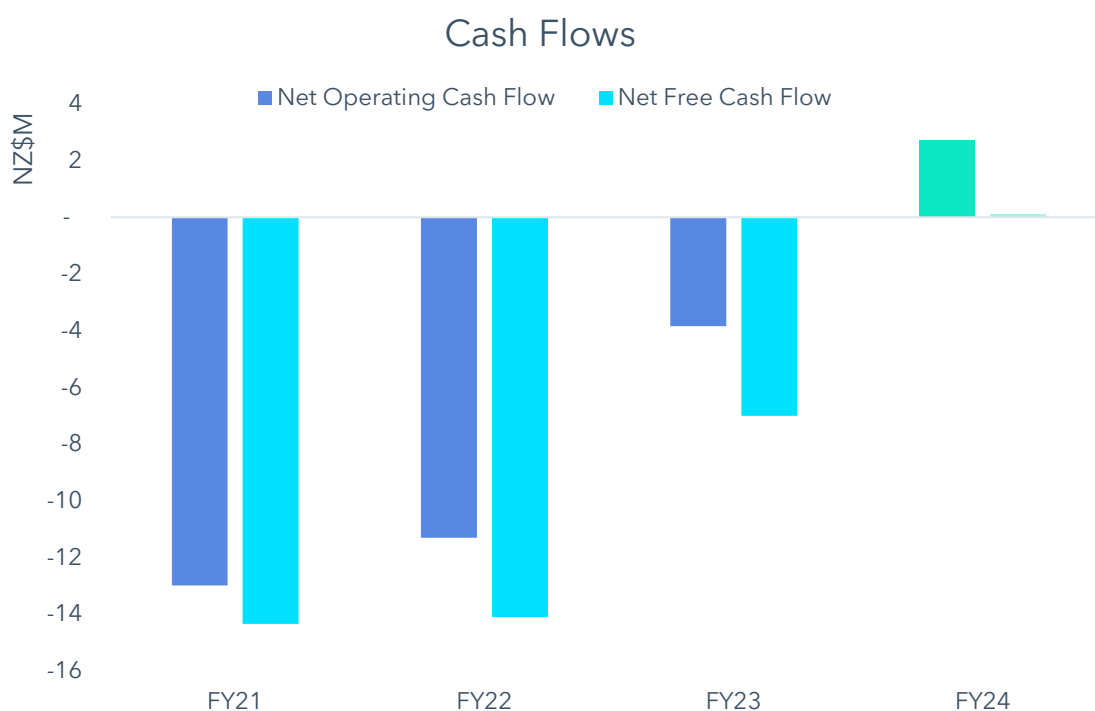
The normalised non-GAAP EBITDA loss as a result has improved from -NZ\$6.1M to -NZ\$0.5M or 91% from FY23 to FY24. Notably, in the second half of FY24, Volpara's achieved its first ever positive EBITDA half-year of NZ\$0.8M.

Volpara's net margin improved from -28% in FY23 to -20% in FY24 – this result was impacted negatively by the NZ\$2.0M of costs incurred due to transaction related activities. Removing the impact of the one-off nature of the transaction related costs, amongst others, resulted in the normalised non-GAAP EBITDA net margin, noted above, improving from -17% to -1%.

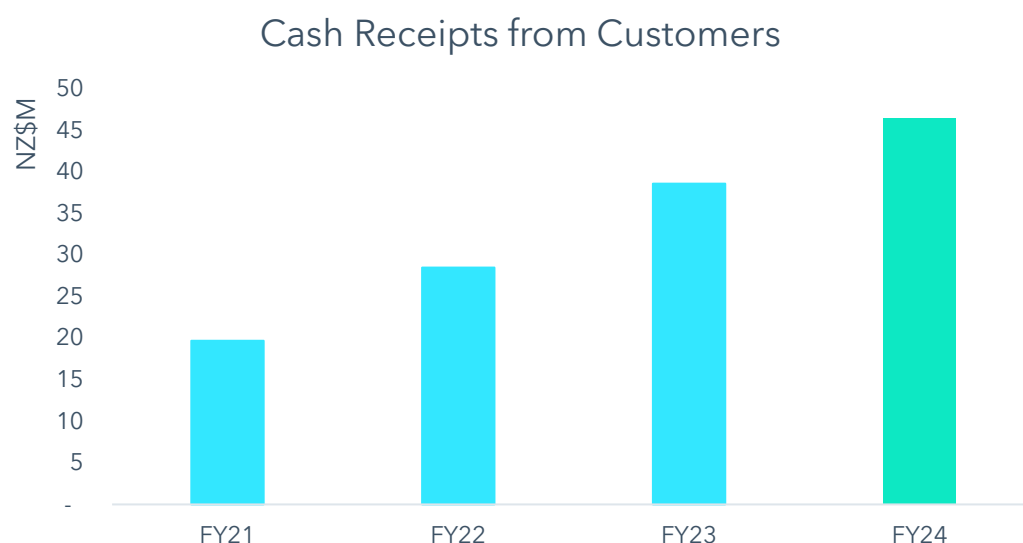


Net free and Operating cash flow positive

For the first time in the Company’s history Volpara achieved a positive net free cash flow result and also for the first time, and in the same year, achieved a positive operating cash flow result – these were both achieved significantly ahead of guidance and despite the distraction and costs related to the transaction of almost NZ\$0.7M. This was achieved through a combination of very strong cash receipts (see below) combined with disciplined spend as evidenced by operating payments to suppliers and employees increasing only marginally by 3%, from NZ\$42.4M to NZ\$43.7M.



The Group experienced a 20% increase (18% in constant currency) in cash receipts, increasing from NZ\$38.6M to NZ\$46.5M. As per prior years cash receipts exceeded revenue recognised by NZ\$3.7M, or 9% largely due to most of our customers paying us annually in advance on their subscription contracts.



ENDS

For further information, please contact:

Corporate Enquiries

Teri Thomas, CEO & Managing Director

Volpara Health Technologies

Teri.thomas@volparahealth.com

t: +64 4 499 6029

About Volpara Health Technologies Limited (ASX:VHT)

Volpara Health Technologies makes software to save families from cancer. Volpara helps leading healthcare providers positively impact their patients and families around the world. They use Volpara solutions to better understand cancer risk, empower patients in personal care decisions, improve and maintain mammogram quality, provide objective mammogram density, and speed up and smooth the arduous reporting necessary for mammography accreditation.

Volpara's focus on customer value means that its AI-powered image analysis enables radiologists to quantify breast tissue with precision and helps technologists produce mammograms with optimal image quality. In an industry facing increasing staff shortages, Volpara's software helps streamline operations and provides key performance insights that support continuous quality improvement.

A Certified B Corporation, Volpara is the preferred partner of leading healthcare institutions around the world. It maintains the most rigorous security certifications and holds over 100 patents and numerous regulatory registrations, including FDA clearance and CE marking. With a strong sales base in the United States and Australia, Volpara is based in Wellington, New Zealand, with an office in Seattle.

For more information, visit www.volparahealth.com

Reconciliation of IFRS to normalised non-GAAP

	FY24 NZ\$'000	FY23 NZ\$'000	Variance NZ\$'000	Variance %
Revenue from contracts with customers	42,743	35,010	7,733	22%
Net loss for the year after tax	(8,733)	(9,801)	1,068	-11%
Non-cash and one-off items¹				
Less: Net interest (income)/expense	(200)	193	(393)	-204%
Less: Tax benefit	(178)	(1,579)	1,401	-89%
Plus: Transaction and integration expenses	1,976	4	1,972	49300%
Plus: Share-based payments expense	768	1,014	(246)	-24%
Plus: Depreciation and amortisation	5,855	5,483	372	7%
Less: Gains on FX transactions	(15)	(2,186)	2,171	-99%
Plus: Release of employee retention plan	-	(130)	130	-100%
Plus: Redundancy costs	-	897	(897)	-100%
Normalised non-GAAP EBITDA¹	(527)	(6,105)	5,578	-91%
Net margin (NPAT/Revenue)	-20%	-28%	8%	-27%
Normalised non-GAAP net margin (normalised non-GAAP EBITDA/normalised revenue)	-1%	-17%	16%	-93%