

29 July 2024

Companies Announcements Office
Australian Securities Exchange

Quarterly Activity and Cash Flow Report

Key Highlights for the Fourth Quarter

- Leads pipeline growing and converting into sales.
- New Board and Leadership Team driving meaningful change.
- Unaudited revenue of A\$2.9 million for the quarter (vs A\$2.6 million in Q3 FY24).
- Net operating cash outflows of \$4.7 million for the quarter.
- Cash balance at 30 June 2024 of A\$24.6 million.

ImpediMed Limited (ASX: IPD) (**ImpediMed** or the **Company**) announces the release of its Quarterly Activities Report and Appendix 4C Cash Flow Report for the quarter ending 30 June 2024 (Q4 FY24).

Leads pipeline growth and sales

Extensive marketing events, tradeshows and sales activity increasing leads pipeline, which is up 168% over the previous quarter. During the quarter, the Company sold 38 SOZO units, of which 23 were sold in the US. This compares with 18 units sold in the previous quarter, of which 13 were sold in the US.

Recently published real-world evidence supports value and impact of early detection

Real world evidence and health economics impact assessments and independent publications are critical for supporting clinical adoption.

This quarter, the New South Wales Health Department (Australia) statewide Lymphoedema Prevention Program (LPP) economic appraisal modelled the economic impact from the expected reduction in progression of chronic lymphedema compared to usual care in 1,800 patients per annum showed that every \$1 invested in the lymphoedema prevention and early intervention program is expected to lead to \$8 in avoided costs for the health system with a 712% ROI. The pilot program was delivered by 13 NSW Health Local Health Districts since

2021 on 1,800 patients per year with a focus on preventing the progression to chronic lymphoedema in patients who have undergone surgery for breast cancer.

New Board Member and Leadership Team

In June 2024, Fiona Bones was appointed Non-executive Director and Chair of Audit and Risk Management committee.

Andrew Grant as interim VP of Product Development is leading development of our product roadmap and R&D strategy. The new Executive Team remains laser-focused on driving growth through targeted sales and marketing execution.

Financial update

ImpediMed recorded unaudited total revenue of A\$2.9 million for the quarter ending 30 June 2024 compared with A\$2.6 million for the preceding quarter ending 31 March 2024 (Q3 FY24).

The Core Business Total Contracted Value (TCV¹) signed during the quarter was A\$3.4 million compared with TCV of A\$2.2 million signed during Q3 FY24.

Contracts in place at the end of Q4 FY24 are expected to generate Core Business Annual Recurring Revenue (ARR²) of A\$11.0 million for the 12 months to 30 June 2025. This compares with ARR at the end of Q3 FY24 of A\$10.1 million.

Summary of cash receipts and outflows

During Q4 FY24 the Company had net cash outflows from operating activities of A\$4.7 million, which is net of cash receipts from customers of A\$3.0 million. The majority of cash outflows for the quarter related to staff costs, which totaled \$5.6 million and included \$0.6 million in severance payments.

FY25 operating cash expenditure forecast to be 10% lower vs FY24³ mainly as the net result of adjustments to headcount and salaries, net of investment in customer facing roles to drive growth.

At 30 June 2024, ImpediMed had a total cash balance of A\$24.6 million comprising A\$6.2 million cash in the bank and \$18.4 million in term deposits.

Payments to related parties and their associates during the quarter disclosed in Section 6 of the Appendix 4C totaled \$106,000 and comprise payment of fees to Non-Executive Directors.

Approved for release by the Board of ImpediMed Limited

¹ Total Contracted Value (TCV) includes any consideration for the sale of SOZO Systems as well as the total Software-as-a Service (SaaS) fees for the duration of the signed contracts. Typically, these contracts are for a period of three years with the monthly SaaS fees increasing each year as the contract progresses.

² Annual Recurring Revenue (ARR) represents the amount of revenue reasonably expected to be recognised for the next 12-month period based on existing contracts, assuming installation upon sale and no churn. Q4 FY24 ARR is converted to Australian Dollars using an AUD/USD exchange rate of 0.667 (Q3 FY24: 0.651).

³ After allowing for one-off costs and other normalisation adjustments.



Investor conference call

Investors are invited to join a conference call hosted by Managing Director and CEO Dr Parmjot Bains and Executive Director and CF&OO McGregor Grant at 11:00am AEST on Monday 29 July 2024.

To pre-register, please follow this link <https://s1.c-conf.com/diamondpass/10040799-d7w9ba.html>.

For more information, contact Dr Parmjot Bains or McGregor Grant on +61 7 3860 3700.



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 2024, the NCCN Clinical Practice Guidelines In Oncology (NCCN Guidelines®) for Survivorship continue to 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 ImpediMed Limited (ImpediMed) 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. Any forward-looking statements, including projections, guidance on future revenues, earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

While management has prepared this information based on its current knowledge and understanding and in good faith, there are risks and uncertainties involved which could cause actual results to differ from projections. You should not place undue reliance on forward-looking statements which speak only as of the date when made. Except as required by law, 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 and no representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including ImpediMed Limited).

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity
ImpediMed Limited
ABN

65 089 705 144

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,970	11,493
1.2 Payments for		
(a) research and development	(61)	(383)
(b) product manufacturing and operating costs	(363)	(946)
(c) advertising and marketing	(199)	(1,006)
(d) leased assets	-	-
(e) staff costs	(5,592)	(23,307)
(f) administration and corporate costs	(1,824)	(8,630)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	332	1,604
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	3,386
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(4,737)	(17,789)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(0)	(81)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	(793)	(3,024)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(793)	(3,105)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	58
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(62)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(110)	(477)
3.10	Net cash from / (used in) financing activities	(110)	(481)

Item 3.9: Cash inflows during the period relate to a temporary timing difference in relation to GST on capital raising costs, offset slightly by the recognition of costs under AASB 16 Leases for the Group's premises leases.

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	30,682	45,710
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,737)	(17,789)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(793)	(3,105)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(110)	(481)
4.5	Effect of movement in exchange rates on cash held	(410)	297
4.6	Cash and cash equivalents at end of period	24,632	24,632

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,244	17,264
5.2	Call deposits	18,388	13,418
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	24,632	30,682

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	106
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(4,737)
8.2 Cash and cash equivalents at quarter end (item 4.6)	24,632
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	24,632
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	5
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2024

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.