



## DORSAVI LTD 30 JUNE 2020 RESULTS ANNOUNCEMENT

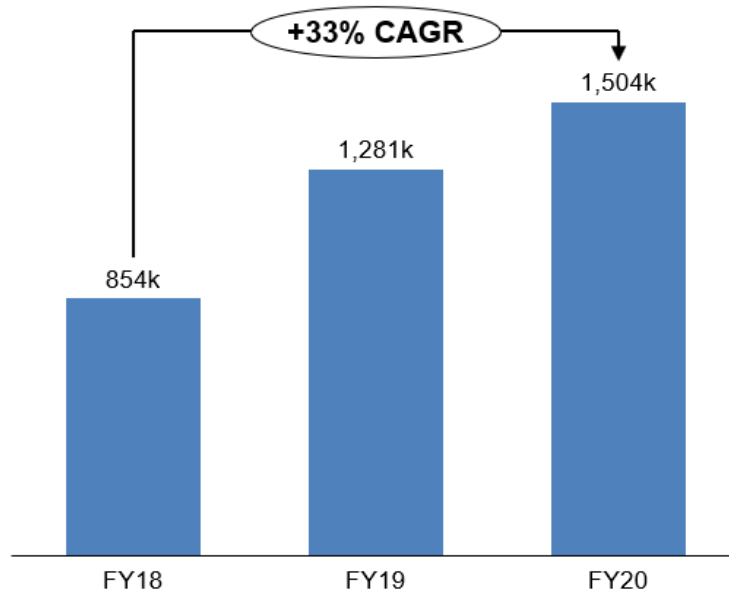
### Key points:

- Recognised recurring revenue was \$1.50m for the financial year, up 17.4% on prior corresponding period of \$1.28m (PCP), in line with the focus on recurring revenue
- Total sales revenue of \$2.02m, down 19.7% on PCP
- Without the provision for impairment of intangibles of \$4.02m, total expenditure for FY20 would have been \$6.43m (FY19: \$7.81m), a reduction of \$1.38m (or 18%) on PCP
- Excluding the provision for impairment, the net loss after tax was \$3.57m, (FY19: \$4.02m) representing an 11.2% reduction
- \$1.69m held in cash at 30 June 2020

**Melbourne, Australia – 26 August 2020:** dorsaVi Ltd (ASX:DVL) today released its Annual Report for the year ended 30 June 2020.

During the 2020 financial year the Company continued to transition its product lines and sales strategy toward the more predictable Software-as-a-Service (SaaS) recurring revenue model, and reduced its reliance on consulting revenue, with 74% of the Company's revenue now generated from recurring revenue. dorsaVi's recurring revenue increased 17.4% year on year, from \$1.28m in FY19 to \$1.50m in FY20, a Compound Annual Growth Rate (CAGR) of 33%. In the workplace market, the recurring revenue remained solid despite the impact of Coronavirus (COVID-19) with the revenue from our myViSafe™ product growing from \$303k in FY19 to \$513k in FY20, an increase of 69%. For the clinical products, recurring revenue grew 1% on PCP (from \$978k FY19 to \$991k FY20) with the result impacted by 10-15% of clinical customers putting their monthly subscriptions on hold.

### Recurring revenue (A\$k)



It is important to acknowledge that total sales revenue for the year was down 19.7% on PCP. Whilst the workplace recurring revenue remained stable during the last two quarters, the consulting revenue from ViSafe™ projects reduced significantly during Q3 and Q4, and the clinical recurring revenue was negatively affected by subscriptions placed on hold, due to the impact of COVID-19.

### **dorsaVi Workplace Solutions (OHS)**

Our workplace recurring revenue has remained solid to date through COVID-19 with the majority of customers continuing to pay their monthly subscriptions for the use of myViSafe™. This has provided stability in the workplace recurring revenue and is part of the reason why the workplace recurring revenue for FY20 has continued to increase, despite the COVID-19 pandemic. As noted above, the recurring revenue for the workplace market increased from \$303k in FY19 to \$513k in FY20, an increase of \$210k or 69%. In Q4 FY20, dorsaVi secured a new partnership with major workers compensation insurer, QBE Australia, who has pre-allocated \$250k in funds over an initial 12-month period to enable their customers access to dorsaVi's workplace products. Insurers continue to be an important channel partner for dorsaVi, introducing our technology and data insights to the right people at companies with an appetite to reduce manual handling injuries.

### **dorsaVi Clinical market**

The clinical market has had a more immediate effect due to COVID-19 with 10-15% of our clinical customers requesting that their subscriptions be put on hold. We also saw a slowing of new sales in Q3 and Q4, noting that later in Q4 the clinical sales activity started to build again. The clinical recurring revenue for Q4 was 265k, a \$36k increase (or 15.7%) on Q3 FY20 (\$229k).

dorsaVi's new clinical product, the app-based Professional Suite™, has been designed as a 'set and go' type product which has a rapid set up time (15 seconds to have a session going with patients) and is designed by Physios for Physios. It can immediately interpret data and includes a patient app where the patient is able to access their reports and exercises anywhere. Now more than ever, the online sales and training of the Professional Suite™ product is critical as we navigate through COVID-19 restrictions.

Total cash reduced from \$7.7m FY19 to \$5.7m FY20, a reduction of \$2.0m (26%) mainly due to cost reductions and operational efficiencies introduced during the year. We believe these reductions in costs are sustainable. Operational efficiency and cost reductions continue to be an ongoing focus for the business.

The cash balance at 30 June 2020 was \$1.69m compared to \$2.77m at 30 June 2019.

dorsaVi has adapted to the changes imposed by COVID-19 to control operational cost and to continue to focus on SaaS style recurring revenue to position the Company for positive growth into FY21 and beyond.

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***About dorsaVi***

dorsaVi (ASX:DVL) is an ASX listed company focused on developing innovative motion analysis device technologies for use in clinical applications, elite sports, and occupational health and safety. dorsaVi believes its wearable sensor technology enables – for the first time – many aspects of detailed human movement and position to be accurately captured, quantified, and assessed outside a biomechanics lab, in both real-time and real situations for up to 24 hours.

Our technology has applications across three sectors:

- **Clinical:** dorsaVi is transforming the management of patients with its clinical solutions - ViMove™, ViMove2™ and Professional Suite™ – which provide objective assessment, monitoring outside the clinic and immediate biofeedback. dorsaVi is currently used by medical and physiotherapy practices globally.
- **Elite Sports:** dorsaVi's ViPerform™ is allowing coaches and medical teams managing elite athletes and teams to screen athletes and provide objective evidence for decisions on 'return to play', measure biomechanics and provide immediate biofeedback out on the field, tailor and track training programs and optimise technique and peak performance. ViPerform™ is being used in the US by the National Basketball Association (NBA), the Major Soccer League (MLS) and the National Football League (NFL), by the AFL and NRL clubs and by Barclays Premier League (EPL) clubs, England and Wales Cricket Board and the Board of Control for Cricket in India as well as various Olympic teams and athletes internationally.
- **Occupational Health and Safety (OH&S):** dorsaVi enables employers to assess risk of injury for employees as well as test the effectiveness of proposed changes to OH&S workplace design, equipment or methods based on objective evidence. dorsaVi has been used by major corporations including Sodexo, London Underground, Vinci Construction, Crown Resorts, Caterpillar (US), Monash Health, Coles, Woolworths, Toll, Toyota, Orora (formerly Amcor), and BHP Billiton.

Further information is available at [www.dorsavi.com](http://www.dorsavi.com).