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31 January 2025

Companies Announcements Office  
Australian Securities Exchange

### **Investor Presentation**

ImpediMed Limited (ASX:IPD) releases the attached presentation to be delivered to investors and analysts today.

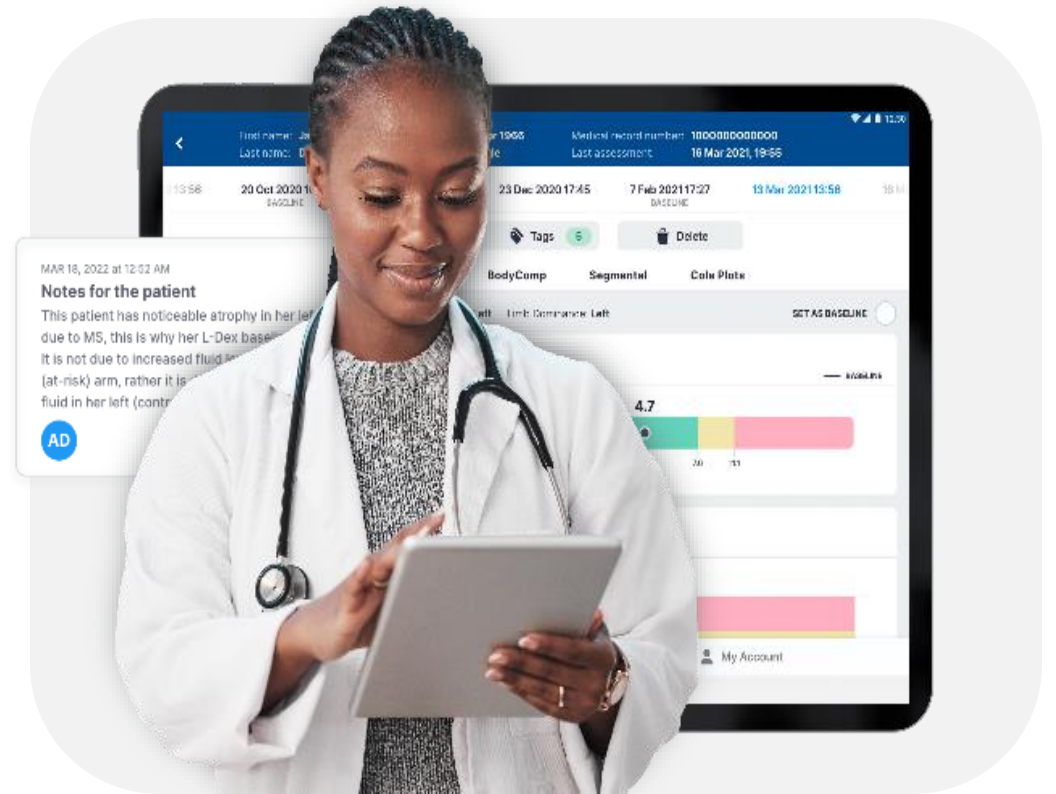
**Approved for release by the Board of ImpediMed Limited.**

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# Impedimed Limited

## Q2 FY25 Results

January 2025



# Forward Looking Statements

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This presentation 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.

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# Agenda

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- 1 Strategy Recap
- 2 Q2 Key Highlights
- 3 Financial Performance
- 4 Other Key Business Metrics
- 5 Q3 FY25 Outlook

# Immediate strategy

Execute to breakeven with a focus of sales, marketing and clinical execution in BCRL

## 12-Month Priorities

Next 12 months: Execute towards break even			Next 1-2 years: Innovate and expand	
GOAL 1	GOAL 2	GOAL 3	GOAL 4	GOAL 5
<b>BCRL sales execution</b>	<b>World-class customer experience</b>	<b>Progress to break even</b>	<b>Expand reach in oncology</b>	<b>Develop new markets</b>
<ul style="list-style-type: none"><li>Continued focus on sales execution with urgency</li><li>Support LPP implementation and patient utilisation</li><li>Execute on discussions with large IDNs on system-wide implementation</li><li>Continued progress to towards payor coverage target 85% through support of Academic Societies and KOLs</li><li>Deliver actionable insights at the point of care</li></ul>		<ul style="list-style-type: none"><li>Manage cash burn</li><li>Progress towards break even</li></ul>	<ul style="list-style-type: none"><li>Oncology body comp</li><li>Leg lymphoedema</li></ul>	<ul style="list-style-type: none"><li>ROW Strategy in progress</li><li>Completed new product roadmap at Board for review</li></ul>

Ensure everything we do is underpinned by quality and integrity

# Confidence in BCRL business model

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## Building a sustainable business

- 1 Solid foundation set - ARR business model, 1,000+ devices deployed, leading US healthcare customers, NCCN & NAPBC guidelines
- 2 Sales opportunity pipeline expanding
- 3 Reimbursement reaching a tipping point - a key to driving adoption
- 4 Reallocation of resources into sales to accelerate opportunity conversion
- 5 Costs under control with sufficient runway to underpin growth

# Key Q2 highlights

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## Financial

- Record revenue \$3.3m and cash receipts \$3.4m.
- Quarterly operating cash outflow (\$2.5m) and cash (\$17.7m) better than expected.
  - 7.2 quarters of operating cash, 5.2 quarters after adjusting for R&D tax credit.
- 10% reduction in cash expenditure vs FY24.

## Reimbursement

- Continued growth of payor coverage.
- 25 states now above 80% coverage, increase from 16 reported in Q1.
- 258.5M covered lives or 75% increase from 146.6m reported in Q1.

## Sales

- 49 SOZO units sold +75% vs Q1FY25
  - US 20 SOZO units, ROW 29 SOZO units.
- Pipeline +112% YOY, continues to increase with focus on marketing and awareness campaigns.
- Confidence to begin measured expansion of customer facing staff. Initially through reallocation of resources.
- Renewals - Top 10 client renews with +35% price increase. Average renewal +23% price increases.

# Cashflow

Summarized Cash Flow	FY25		
In thousands	Q1	Q2	H1
AUD	Actual	Actual	Actual
Receipts from customers	2,718	3,419	6,137
Research & development	(88)	(78)	(166)
Product manufacturing & operating costs	(314)	(389)	(703)
Advertising costs	(301)	(117)	(418)
Staff costs	(4,899)	(4,801)	(9,700)
Administration and corporate costs	(2,199)	(1,637)	(3,836)
Interest received	279	217	496
Government grants and tax incentives	-	915	915
<b>Net operating cash in/(out)flow:</b>	<b>(4,804)</b>	<b>(2,471)</b>	<b>(7,275)</b>
Purchase of intangibles	(447)	(144)	(591)
<b>Net investing cash in/(out)flow:</b>	<b>(447)</b>	<b>(144)</b>	<b>(591)</b>
Operating leases	(107)	(115)	(222)
<b>Net financing cash in/(out)flow:</b>	<b>(107)</b>	<b>(115)</b>	<b>(222)</b>
<b>Net cash in/(out)flow:</b>	<b>(5,358)</b>	<b>(2,730)</b>	<b>(8,088)</b>
Net foreign exchange differences	(626)	1,775	1,149
Cash at beginning of period	24,632	18,648	24,632
<b>Cash at close of period</b>	<b>18,648</b>	<b>17,693</b>	<b>17,693</b>

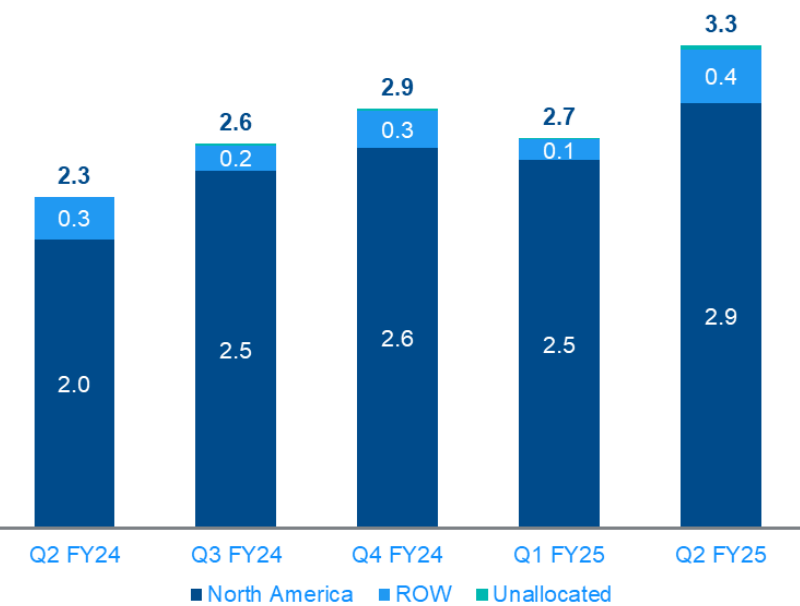
- Positive quarter financially and H1 results largely in line with expectations.
- Record quarterly cash receipts of \$3.4m.
- Q2 operating cash outflow of \$2.5m was ahead of guidance and lower than budget.
  - R&D tax credit positively impacted operating cashflow for the quarter
  - Admin costs lower as unwind of timing from previous quarter
- FY25 cash expenditure is forecast to be 10% below FY24 and cost control remains a focus.
- Cash balance of \$17.7m was positively impacted with weakening AUD, reversing the prior quarters negative impact and remains largely unrealised.
- Cash to fund 7.2 quarters of operating cashflow (5.2 quarters excluding the R&D tax credit).



# Revenue

## Revenue

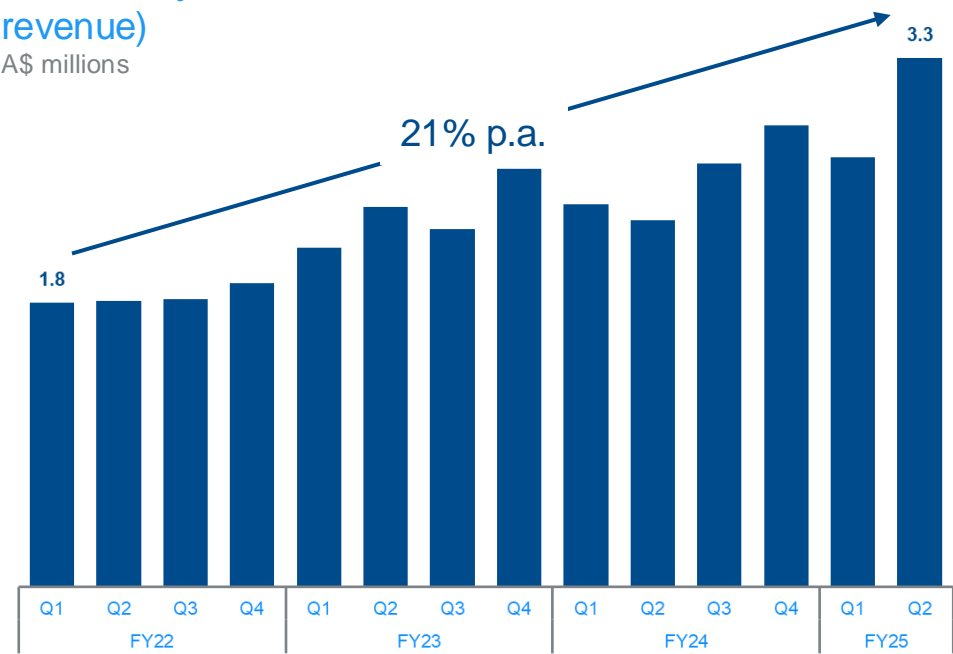
A\$ millions



- Q2 FY25 revenue up 24% vs Q1 FY25
- 46% growth versus Q2 FY24
- Higher ROW (timing of distributor inventory replenishment)
- Positive FX movement in Q2 (offsetting negative impact in Q1)

## Quarterly Total Revenue (excluding clinical revenue)

A\$ millions

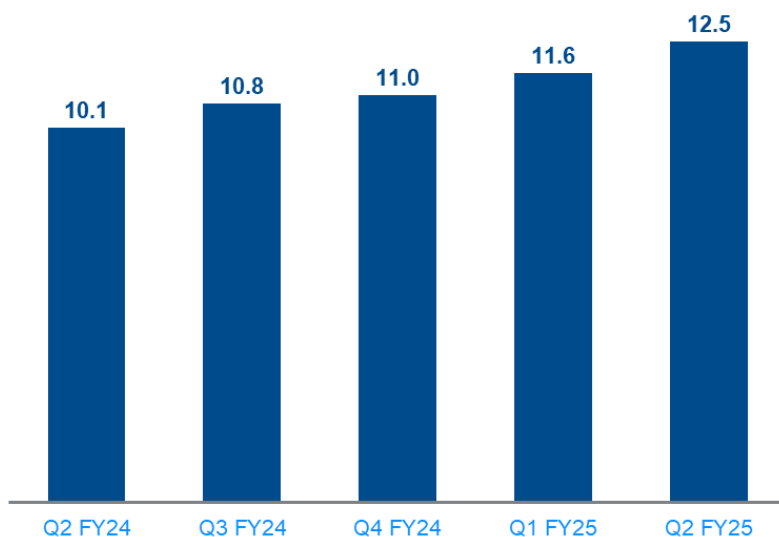


- Long term revenue growth 21% p.a. prior to full reimbursement

# ARR and TCV

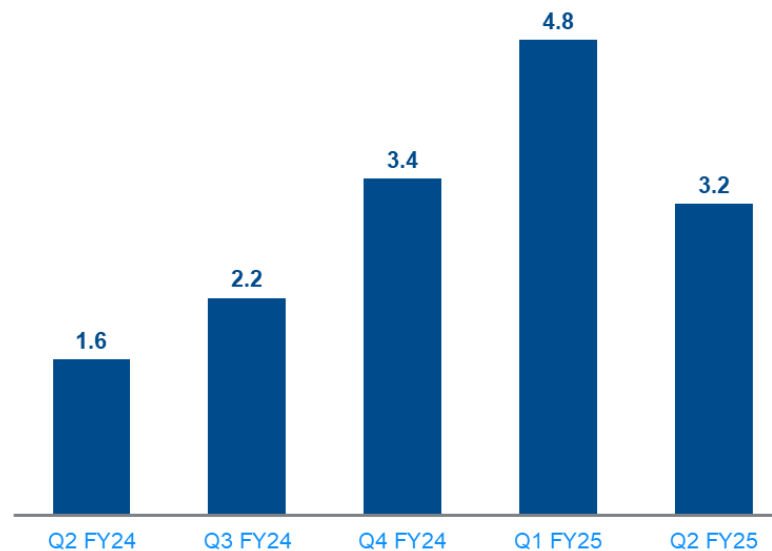
A\$ millions

## SOZO Annual Recurring Revenue<sup>1</sup>



- ARR up 23% vs Q2 FY24; up 7% vs prior quarter
- ARR continues to grow as quarterly TCV gains translate into annual revenue

## SOZO Core Business Quarterly Total Contract Value<sup>2</sup>



- Difference from previous quarter largely due to a reduction of units due for renewal
- Renewed a top 10 customer, securing 35%+ price increase
- Price of renewed contracts increased 23% on average

1. 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. The amounts shown are as reported. The exchange rate used for Q2 FY25 ARR calculation was 0.64720 (Q1 FY25: 0.67497).

2. Total Contracted Value (TCV) relates to new and renewed contracts and includes any consideration for the sale of SOZO units as well as the total licence fees for the duration of the signed contracts. Typically, these contracts are for a period of three years.

# Reimbursement

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Reimbursement remains the key to increasing sales

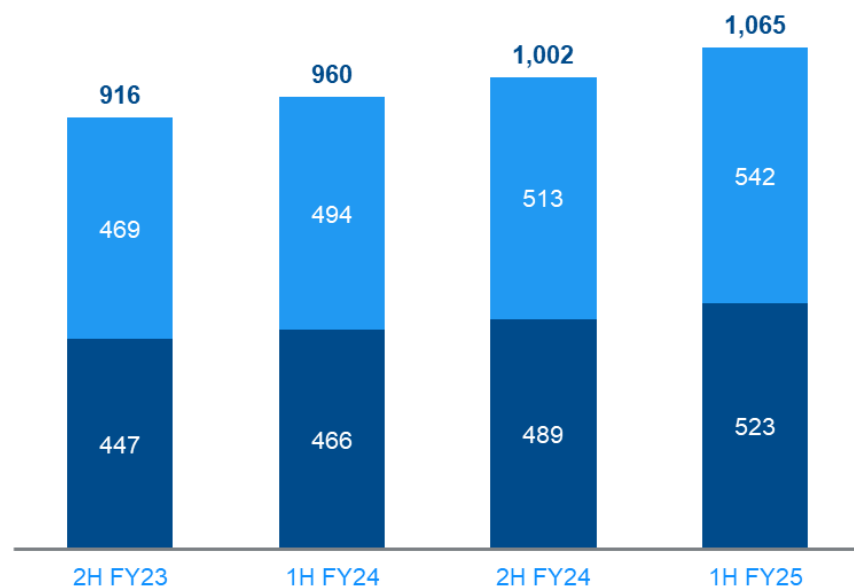
- Not just about number of covered lives but having high % coverage in individual states
- Sales traction in states with higher reimbursement
- Continued growth of payor coverage in the quarter
- 25 States now above 80% coverage up from 16 reported in Q1
- 258.5M covered lives (75% of population), up from 146.6m covered lives reported in Q1
- 11 of Top 15 Payors now reimbursing patients, including 4 of the top 5.

# Sales

## Global Installed Base

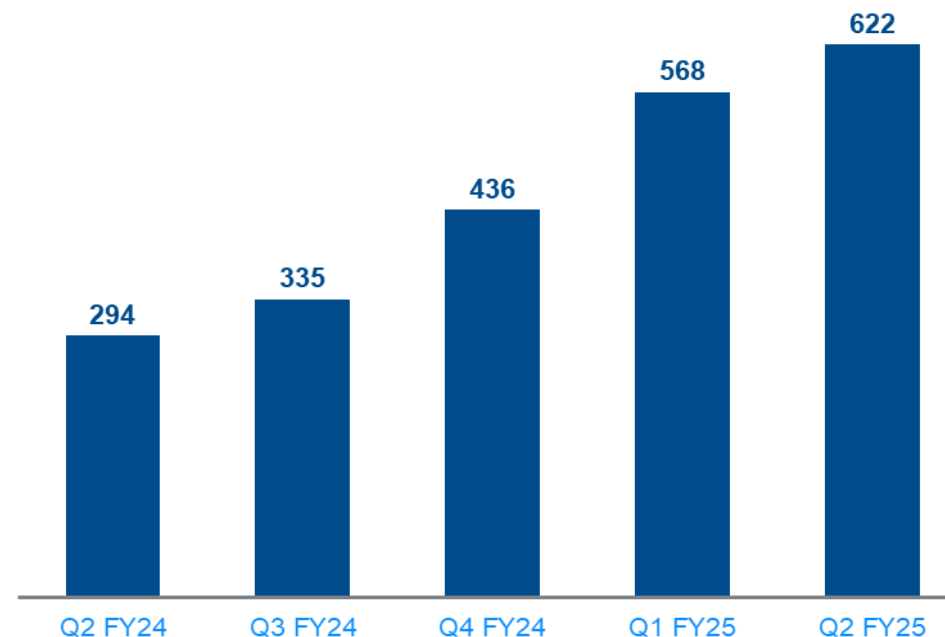
Units

■ ROW Installed Base  
■ U.S. Installed base



- 49 SOZO Units Sold +75% vs Q1FY25
  - US 20 SOZO Units, ROW 29 SOZO Units
- Churn remains low at 3% pa

## U.S. SOZO Units Opportunity Pipeline<sup>1</sup>



- Pipeline continues to grow in response to marketing efforts
- Unit opportunity +112% YOY
- Pipeline contains several multi-unit orders opportunities

<sup>1</sup>. Total Opportunity Pipeline represents validated leads for SOZO units in pipeline at end of quarter.

# Sales – Focus on Key Accounts

- Key Accounts, IDNs and NCCN Centres added or renewed
  - Cleveland Clinic, Sutter Health, Memorial Sloane Kettering, Baylor Scott & White, Northwell Health, Mass General Brigham, Vanderbilt University
  - SOZOs in 23 of 33 NCCN Member Institutions, with a total of 88 SOZOs
  - MSAs with 28 IDNs – enabling more rapid system wide expansion
- NAPBC focus has begun with early positive signs
  - Added 2 new NAPBC Centres
  - Significant opportunity with 145 of 570 NAPBC centres as clients
  - Actively building pipeline
- Renewals positive
  - Renewed top 10 client with 35% increase
  - Overall quarterly renewal increase 23%
- Reallocating resources to increase investment in sales team
  - 56% of staff now customer facing
  - Measured investment to support accelerated pipeline conversion with increasing levels of reimbursement
  - Adding 2 KAEs and 1 internal sales BDR

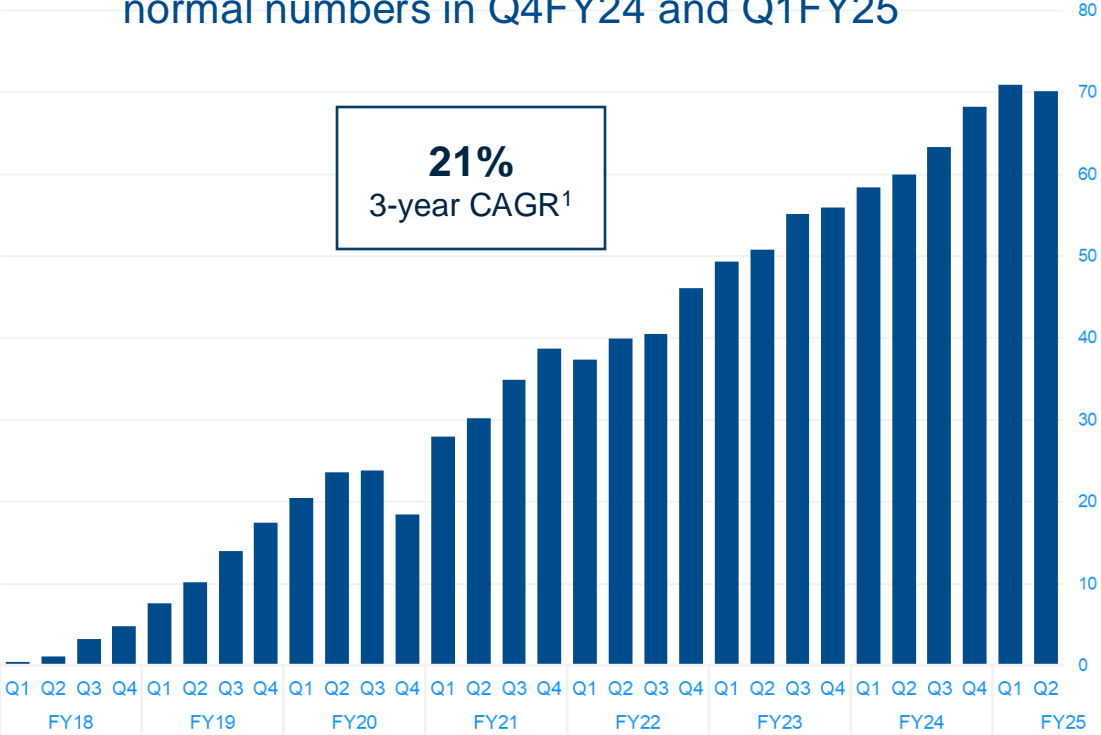
Key Accounts, NCCN Institutions or IDNs added or renewed in Q2 FY25



# Patient Testing

## Patient Tests (000s)

- 70,000 Patient Tests in Q2 FY25
- Down 1% versus Q1 FY25 overall
  - U.S. region up 2% Q/Q
  - Reduction in testing in UK and Asia after above normal numbers in Q4FY24 and Q1FY25



1.Compound Annual Growth Rate. Quarterly patient tests Q2 FY22 to Q2 FY25



## SOZO<sup>®</sup> measures & tracks critical patient data

- L-Dex <sup>®</sup> Lymphoedema index
- HF-Dex<sup>™</sup> Heart Failure index
- Hy-Dex <sup>®</sup> Hydration Analysis
- Total body water
- Extracellular fluid
- Intracellular fluid
- Skeletal muscle mass
- Fat mass and fat-free mass
- Bone mineral content
- Basal metabolic rate
- Phase angle
- Body mass index
- Segmental analysis

# Q2 FY25 vs Outlook

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- ✅ Accelerate sales strategy
- ✅ Continued focus on Lymphoedema awareness activities to generate leads
- ✅ Optimise contract renewal outcomes
- ❑ Drive further improvement in sales and other key business metrics
- ✅ Further expansion of private payor coverage
- ✅ Continued cost focus with operating cash outflow expected to reduce to <\$3.5m
- ✅ Finalise the product roadmap and next steps for longer term growth

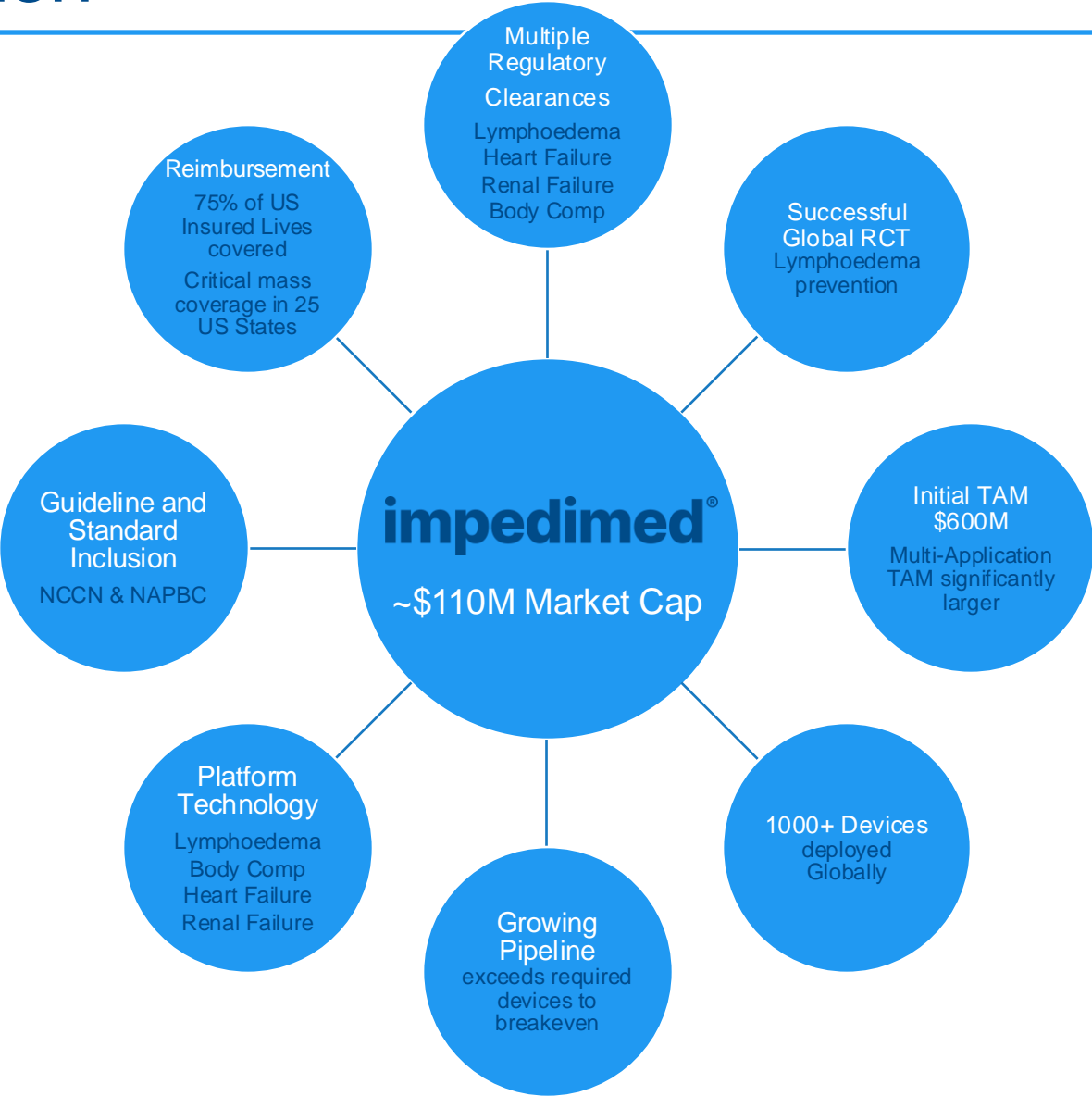
# Outlook for Q3 FY25

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- ❑ Continued to initiate Lymphoedema awareness activities to generate leads
- ❑ Measured investment to accelerate sales strategy
- ❑ Continued focus on private payor coverage
- ❑ Drive improvement in sales metrics
- ❑ Optimise contract renewal outcomes
- ❑ Continued focus on costs



# The Value Proposition



**impedimed®**