



23 February 2023

## dorsaVi Half-Year Financial Results

### Key highlights

- dorsaVi recorded total sales revenue of ~\$891k for H1 FY23, with \$626k of new deals signed
- Annualised recurring revenue of ~\$1.2m during H1 FY23
- Recorded operating expenses of ~\$2.4m in H1 FY23, representing a 15% decrease from the prior corresponding period (pcp) (~\$2.8m in H1 FY22)
- Medtronic agreement renewed for ~\$202k to focus on complex spinal conditions, further validating dorsaVi's sensor technology
- Upgrades to Athletic Movement Index product released and gaining traction in the US clinical market, with further features expected to be rolled out in the near term
- Demand building in the workplace market resulted in revenue of ~\$347k for H1 FY23, growing 9% from the pcp (~\$319k in H1 FY22)
- Cash balance of \$412k as at 31 December 2022

**Melbourne, Australia, 23 February 2023:** dorsaVi (ASX: DVL) (**dorsaVi** or the **Company**) today released its Appendix 4D half yearly accounts for the period ended 31 December 2022.

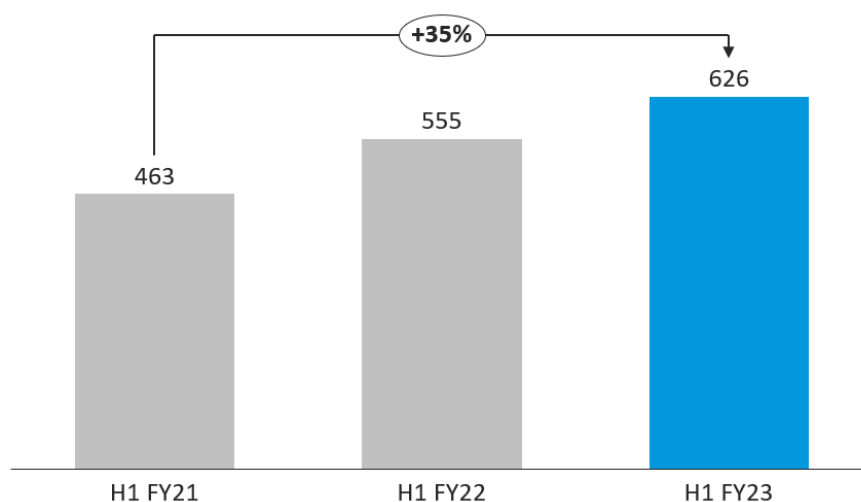
**Dr Andrew Ronchi, dorsaVi's Chief Executive Officer, commented:**

*"We have made significant strides towards our organisational goals during the last half year by acquiring new customers, reducing our operating costs, and deepening our ties with strategic partners. Our collaboration with Medtronic is progressing well, having extended our agreement during the half year and announcing the co-development of a new product for patients with complex spinal conditions. We were able to capitalise on the positive momentum in the workplace market as segment revenues grew for the third consecutive half (on a pcp basis). We look forward to executing on our operational goals for the remainder of FY23 – by continuing to sign top-tier clients while managing our expenses to deliver greater operating leverage."*

### Financial update

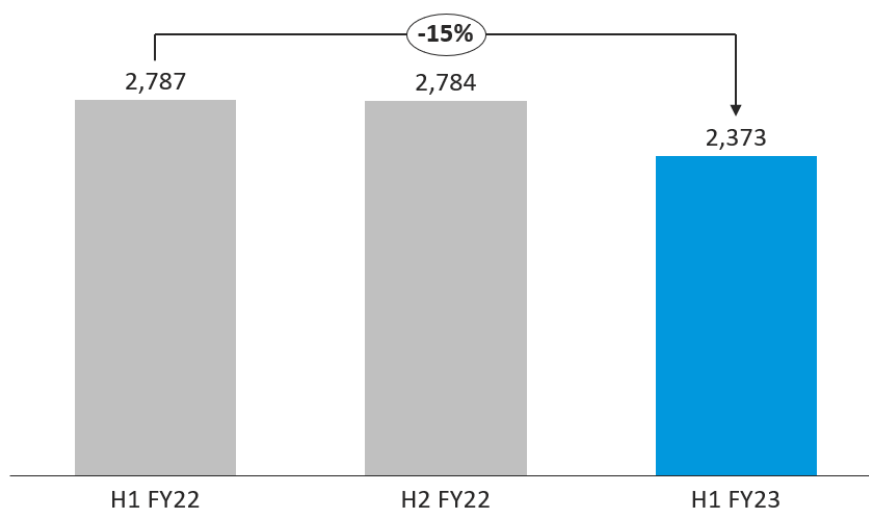
dorsaVi recorded sales revenue of ~\$891k in H1 FY23 and signed several new contracts worth ~\$626k which are yet to be implemented. Pleasingly this marks the third consecutive period of new sales growth on a pcp basis, as shown in Figure 1. The Company intends to build on the positive sales momentum and will continue to proactively seek opportunities to advance its top-tier customer base, leveraging strategic partners such as Medtronic and QBE. Partnering with market leaders validates dorsaVi's platform and position as a trusted partner for global institutions. dorsaVi's growth profile continues to be underpinned by a stable base of ~\$1.2m annualised recurring revenue.

**Figure 1: New deals won (pcp basis) (\$k)**



The Company has continued to actively manage its expenditure, recording ~\$2.4m in operating expenses for the half year which represents a reduction of ~15% compared to both the previous half and the pcg, as shown in Figure 2. The improvement is largely attributed to dorsaVi's cost-optimisation initiatives which have been implemented to sustainably lower costs while continuing to drive operating leverage. dorsaVi expects costs to continue to decline throughout FY23 as changes made in the first half carry through to future periods.

**Figure 2: Operating expenses (\$k)**



### **Positioned for growth in clinical market**

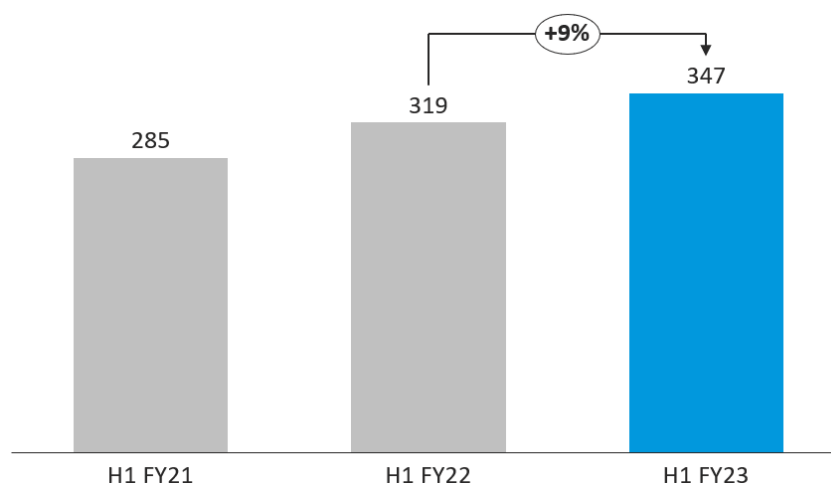
dorsaVi continues to build on its established foundations in the clinical market, extending its ongoing strategic agreement with Medtronic during the half year (announced 24 October 2022). The agreement extension is worth ~\$202k to dorsaVi and aims to optimise the Company's sensor technology to assess movement quality for patients with spinal conditions. dorsaVi will continue to provide its advanced sensor technology and custom AI algorithms to the project, while Medtronic will offer its expertise in medical treatment technologies. This marks the fourth agreement extension between dorsaVi and Medtronic which has now contributed a total sales value of ~\$987k. Collaboration with Medtronic highlights both the efficacy and data security of dorsaVi's platform, cementing its status as a trusted solution for large multinational organisations.

The newly released Athletic Movement Index (AMI) product, which has been updated with several new features, is receiving positive reception in the US clinical market. The AMI product was updated based off market feedback to offer a significantly improved value proposition to physical therapists. AMI sales have been driven by new and existing customers who have chosen to upgrade to the latest version, which offers a greater ROI and enhanced user experience. dorsaVi plans to roll out additional features to the AMI product suite in the near term.

### Momentum building in workplace market

dorsaVi recorded growth in the workplace market as corporations continue to focus on improving health and safety outcomes for their employees. The Company recorded ~\$347k of workplace market revenue for the half year, growing ~9% compared to the pcp (~\$319k in H1 FY22). This result represents the third consecutive period of growth on a pcp basis, as shown in Figure 3. dorsaVi continues to leverage its partnership with QBE which has resulted in multiple initial engagements with QBE's customer base. Expanding the customer base across top-tier customers that are seeking to minimize musculoskeletal injuries for workers remains a key priority for the Company moving forward.

**Figure 3: Workplace market revenue (\$k)**



### Financial update

As of 31 December 2022, dorsaVi had a cash balance of \$412k. The Company will continue to minimise expenses through its cost optimisation strategy while driving operating leverage to grow revenue.

This release has been authorised for lodgement to the ASX by the Company's Finance Disclosure Committee.

– ENDS –

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## About dorsaVi

dorsaVi Ltd (ASX: DVL) is an ASX 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. dorsaVi's focus is on two major markets:

- **Workplace:** dorsaVi enables employers to assess risk of injury for employees as well as test the effectiveness of proposed changes to OHS workplace design, equipment or methods based on objective evidence. dorsaVi works either directly with major corporations, or through an insurance company's customer base with the aim of reducing workplace compensation and claims. 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.
- **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. The clinical market is broken down into physical therapy (physiotherapists), hospital in the home and elite sports. Hospital in the home refers to the remote management of patients by clinicians outside of physical therapy (i.e. for orthopaedic conditions). Elite sports refers to the management and optimisation of athletes through objective evidence for decisions on return to play, measurement of biomechanics and immediate biofeedback to enable peak performance.

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