



**BUSINESS UPDATE AND JUNE 2019 QUARTER CASH FLOW**

**Melbourne, Australia. 29 July 2019.** dorsaVi Limited (ASX: DVL) has today released a business update and 4C cash flow report for the period ended 30 June 2019.

**Revenue and Financial Performance Highlights**

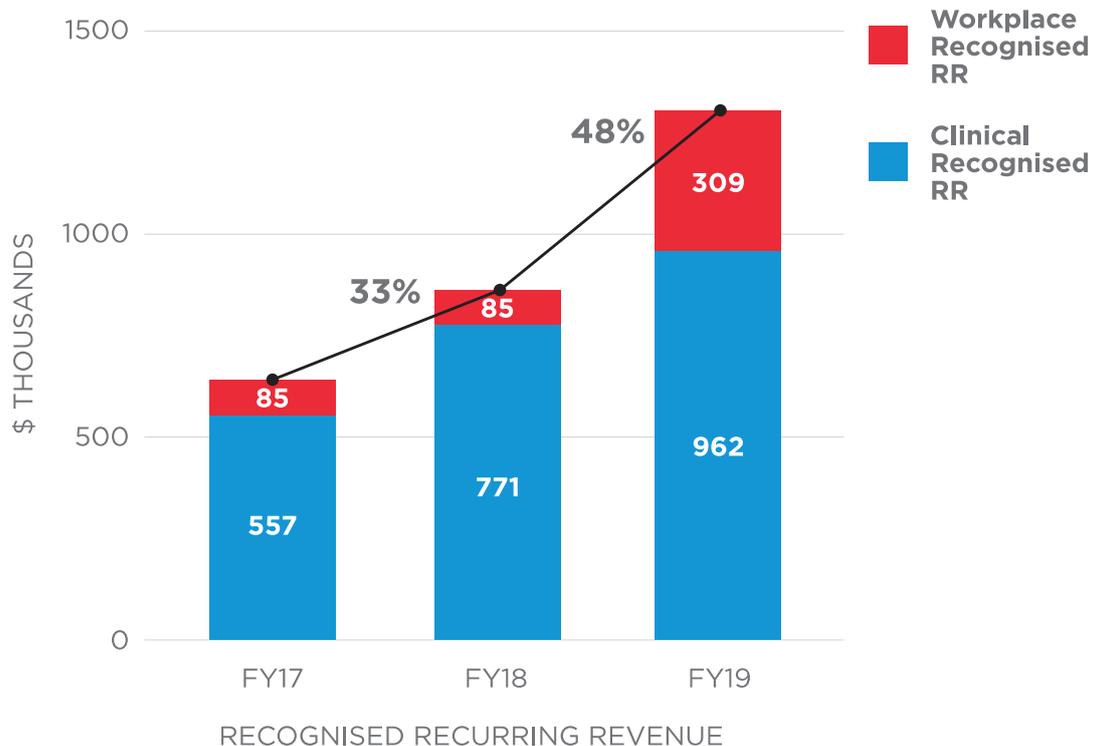
- Recognised recurring revenue for FY19 is \$1.27m\*, an increase of 48% from the prior corresponding period FY18 (\$856k), and consistent with the company strategy to drive higher value revenue streams.
- >90% retention in dorsaVi workplace and clinical product lines for key growth market in the US.
- New customer wins building recurring revenue include:

**Workplace:**

- Colgate Palmolive signs on for myViSafe products across multiple sites
- ASM Technologies Limited (UK Rail group): use of workplace product across 64 sites, \$550k over 3 years

**Clinical:**

- Select Medical has taken on an additional 6 systems in Q4, bringing their total number of clinics utilising dorsaVi’s clinical system to 75, up 25 (or 50%) from the start of FY19
- Signed on major US hospital group with 9 clinical systems on initial uptake



\*Unaudited figure for FY19

- Recognised recurring revenue for Q4 was \$319k, a 28% increase on PCP (\$249k).
- Total contracted revenue for Q4 was \$460k. Whilst this was down on Q3 (\$865k), it is important to note that the Q3 contracted revenue number included the large ASM Technologies Limited (UK Rail group) deal of \$550k. Positively, the number of sales actually increased in Q4.
- The cash balance at 30 June was \$2.77m as compared to \$3.24m at 31 March 2019. Net cash outflows for Q4 were \$474k. Even accounting for the up-front payment of \$550k from ASM, this result represents a significant reduction from Q3 (\$1.63m).

#### **Other Operational Highlights:**

- The financial impact of the internal review and operational changes announced during Q3 was clearly demonstrated in Q4 with a significant reduction in net cash outflows.
- All US sales open vacancies have been filled and the larger workplace and clinical sales teams are experiencing good traction following their onboarding period.
- New marquee workplace clients were signed during the quarter including Paramount Pictures, Emerson Climate Technologies, and Colgate Palmolive all in the US.
- Repeat workplace business was signed with Baptistcare, Woolworths, and Caterpillar.
- 43% of ViSafe customers are migrating to myViSafe.
- During Q4 an additional 31 myViSafe kits were shipped.
- Clinical momentum continues in the US with sales to small-medium physical therapy clinics. Additionally, a larger multi-system deal was signed with a large US hospital including 9 new clinical devices. The largest Physical Therapy chain in the US, Select Medical, continue to increase their dorsaVi Movement Suite systems and now have devices at more than 75 of their Physical Therapy sites across the US.
- Device numbers in the market continue to grow in the clinical and the workplace markets, with each device providing a monthly subscription fee and high retention rates.
  - In the clinical market we have an installed base of 634 devices in the market and solid growth of 42% on the previous year, with a retention rate of >90% in the US Physical Therapy market.
  - In the workplace market, the myViSafe product adoption continues to ramp with an installed base of 222 devices, this is up 141% on the previous year and showing a similar retention rate to the clinical market with >90% retention.

#### **Conference Call**

*dorsaVi CEO, Dr Andrew Ronchi, and General Manager, Matt May, are hosting an investor WebEx to discuss the quarterly results on **Tuesday, 6 August at 10.30am Australian Eastern Standard Time.***

*Participation details:*

<b>Australia</b>	<i>+61 2 8090 8323 or Toll Free on 1800 064 762</i>
<b>Hong Kong</b>	<i>30713074</i>
<b>Singapore</b>	<i>800 101 3333</i>
<b>United States</b>	<i>+1 (657) 220 3242 or Toll Free 1 888 585 9008</i>

**Conference room access code:** 806-874-801

- ENDS -

**For more information about dorsaVi or to arrange an interview, please contact:**

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dorsaVi

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### ***About dorsaVi***

dorsaVi (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.

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:** 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 (OHS):** 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 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).

+Rule 4.7B

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

dorsaVi Ltd

**ABN**

15 129 742 409

**Quarter ended ("current quarter")**

June 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,187	3,719
1.2 Payments for		
(a) research and development	(41)	(395)
(b) product manufacturing and operating costs	(89)	(399)
(c) advertising and marketing	(30)	(323)
(d) leased assets	(73)	(73)
(e) staff costs	(732)	(3,813)
(f) administration and corporate costs	(410)	(1,935)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	117
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	56	971
1.8 Other (provide details if material)	7	7
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(119)</b>	<b>(2,124)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(34)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	(355)	(969)
(e) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(355)</b>	<b>(1,003)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	2,089
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(162)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>1,927</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	3,241	3,967
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(119)	(2,124)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(355)	(1,003)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,927
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>2,767</b>	<b>2,767</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	1,639	2,087
5.2 Call deposits	1,128	1,154
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,767</b>	<b>3,241</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	80
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Made up of the following:  
Salary and superannuation to CEO (director of the entity).

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	84
9.2	Product manufacturing and operating costs	161
9.3	Advertising and marketing	48
9.4	Leased assets	43
9.5	Staff costs	961
9.6	Administration and corporate costs	165
9.7	Other (provide details if material)	-
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>1,462</b>

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	N/A	N/A
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

### Compliance statement

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

Sign here:  
Print name:



Date: 29 July 2019  
Damian Connellan  
(Chief Financial Officer)

### Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- If this quarterly 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 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.
- 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.