

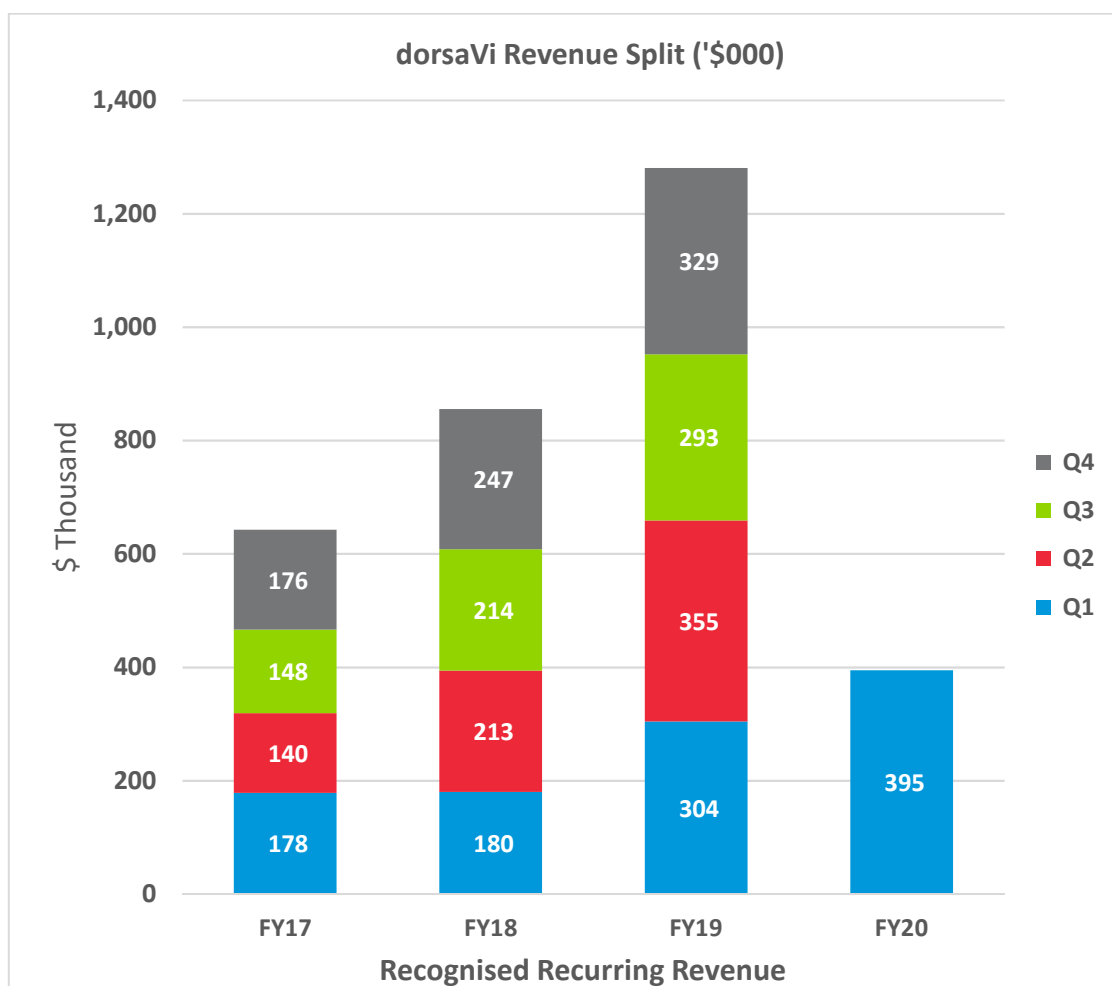


BUSINESS UPDATE AND SEPTEMBER 2019 QUARTER CASH FLOW

Melbourne, Australia. 31 October 2019. dorsaVi Limited (ASX: DVL) has today released a business update and 4C cash flow report for the period ended 30 September 2019.

Revenue and Financial Performance Highlights

- Recognised Recurring Revenue (RRR) for Q1 FY20 is \$395k, an increase of 30% on PCP (\$304k), and an increase of 20% on Q4 FY19 (\$329k).
- This result is in-line with guidance provided in the July 2019 investor update and continues to be a strong strategic focus for the business.



- A RRR of \$395k for Q1 FY20 represents the highest RRR per quarter recorded by the company to date.
- New customer wins that have assisted in building RRR include:

Workplace:

- BHP Australia has progressed from a ViSafe client to initiating a myViSafe pilot.

- Marston's Brewery signed a 5-year myViSafe deal following the completion of a successful pilot.
- Public Employer Risk Management Association (PERMA) based in New York State in the US signed on for 5 myViSafe kits.
- WorkRight NW, an agent of dorsaVi in the US, committed to 12 myViSafe kits, extending their contract and adding to the number of kits used at companies like Tesla, Chilton, and Pacific Foods.

Clinical:

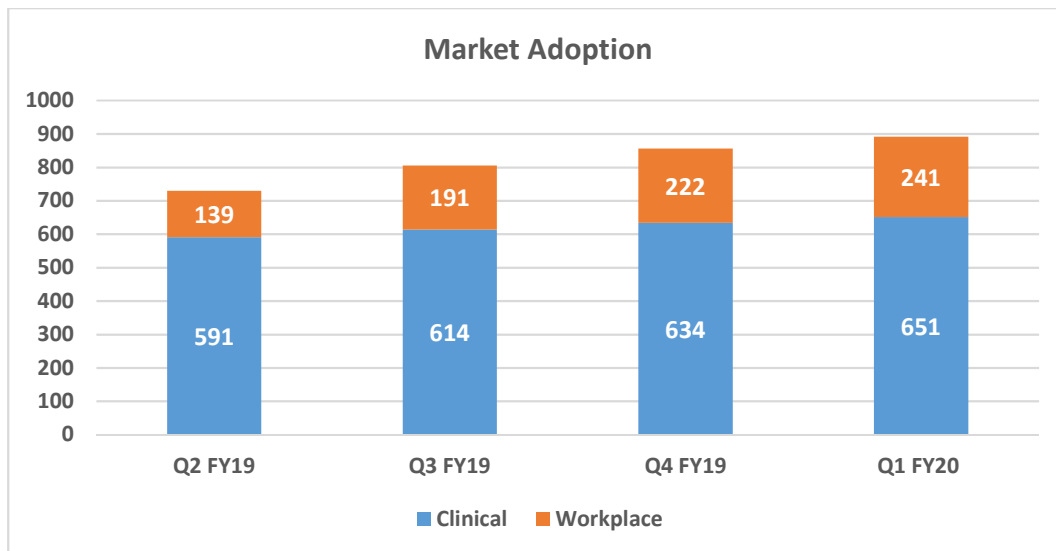
- Select Medical (the largest Physical Therapy chain in the US), continues to increase their dorsaVi Movement Suite systems and now have devices at more than 75 of their Physical Therapy sites across the US including their NovaCare, Baylor and Select Liberty brands.
 - An initial pilot program with Drayer Physical Therapy Institute, although currently small, has the potential to be significant given they are part of the Upstream Rehabilitation Group with 650+ locations across the US.
- Total contracted revenue won for Q1 was \$400k.
 - The cash balance at 30 September was \$2.25m as compared to \$2.77m at 30 June 2019. Net cash outflows for Q1 were \$513k after accounting for the R&D tax rebate of \$579k.

Other Operational Highlights:

- Device numbers in the market continue to grow steadily 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 651 devices in the market, with a retention rate based on a rolling 12-month period of >90% in the US Physical Therapy market.

In the workplace market, the myViSafe product adoption continues to ramp with an installed base of 241 devices, showing a similar retention rate to the clinical market with >90% retention.



- Repeat ViSafe (consulting) projects with Coles, Woolworths, Intel, and JLG Industries. New projects completed with Target Australia and PERMA in the US.
- US based marketing agency RenderTribe were appointed to assist with increasing marketing activity and efficiency with a primary focus on lead generation and market penetration for the US.

Conference Call

dorsaVi CEO, Dr Andrew Ronchi, and General Manager, Matt May, are hosting an investor WebEx to discuss the quarterly results on 7 Nov at 11am **Australian Eastern Daylight Time.**

Participation details:

Australia	+61 2 8090 8323 or Toll Free on 1 800 064 762
Hong Kong	307 130 74
Singapore	800 101 3333
United States	+1 (657) 220-3242 or Toll Free 1 888 585 9008

Conference room access code: 923-148-427

- ENDS -

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

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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.

+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")

September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	576	576
1.2 Payments for		
(a) research and development	(37)	(37)
(b) product manufacturing and operating costs	(49)	(49)
(c) advertising and marketing	(66)	(66)
(d) leased assets	(31)	(31)
(e) staff costs	(997)	(997)
(f) administration and corporate costs	(470)	(470)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	579	579
1.8 Other (provide details if material)	4	4
1.9 Net cash from / (used in) operating activities	(485)	(485)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(2)	(2)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	(26)	(26)
(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	(28)	(28)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
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	-	-
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	2,767	2,767
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(485)	(485)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(28)	(28)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	2,254	2,254

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	2,126	1,639
5.2 Call deposits	128	1,128
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)	2,254	2,767

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

55

-

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

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

-

-

8. Financing facilities available

Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

**Total facility amount
at quarter end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

-

-

-

-

-

-

- 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	86
9.2 Product manufacturing and operating costs	158
9.3 Advertising and marketing	146
9.4 Leased assets	43
9.5 Staff costs	939
9.6 Administration and corporate costs	209
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	1,582

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.



Date: 31 October 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.