



BUSINESS OPERATIONS UPDATE

Melbourne, Australia. 14 November 2019. dorsaVi Limited (ASX DVL) (the **company**) has today released a business operations update.

On Monday 11 November, the company announced it had requested a voluntary suspension of trading to allow for time to review and finalise various matters pertaining to its operations, and evaluate opportunities to raise additional capital.

This followed the release of the company's September quarter Appendix 4C which highlighted the continued positive growth in recognised recurring revenue (RRR) of 20% QoQ, and a closing cash balance at 30th September of \$2.25m.

The company would like to inform the market that in order to optimise its cash reserves, a decision has been taken to further reduce cash expenses through both operational and staff related changes. The changes made in March 2019, and these new changes, have led to a reduction of 25% FTE equivalent headcount. There has also been a reduction in the salary (USD \$221,500 to USD \$201,500) of the CEO, Andrew Ronchi, in line with his original Australian based salary.

In making these changes, cash expenses* are expected to be reduced to \$5.4m on an annualised basis. This will amount to a reduction of 30% when compared to the FY19 cash expenses* figure of \$7.7m, helping to move the company closer to a self-funded (or cash neutral) position.

The company continues to evaluate opportunities to licence and/or acquire other product lines to increase the rate of growth in recurring revenue through selling additional products to existing customers.

The company confirms by way of updating the market:

- The company's current cash and cash equivalents is now \$1.66m.
- Total estimated cash outflows for this quarter remain at \$1.58m of which \$1.04m has already been paid.
- Cash receipts from operations for the current quarter are estimated to be approximately \$0.6m of which \$0.5m has been received.
- Whilst the operational changes will reduce the company's expenditure, the board has also resolved to raise further capital during the current quarter subject to market conditions.
- If a capital raising is unsuccessful the company will explore alternative options to achieve a cash flow neutral position.

- ENDS -

*Cash expenses means cash payments for funding operational and capital expenses but excluding expenses such as depreciation, amortisation and share based payments.

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 elite sports, occupational health and safety and clinical applications. 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, Cricket Australia, and the Australian Institute of Sport (AIS) in Australia, 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.
- **OHS:** dorsaVi enables employers to assess risk of injury for employees as well as test the effectiveness of proposed changes to 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), Crown and BHP Billiton.

Further information is available at www.dorsavi.com.