



28 February 2019

dorsaVi Half Year Financial Results

SUMMARY OF H1 RESULTS FOR FY19

- Growth in recurring revenue of 68% from \$393k Prior Corresponding Period (PCP) to \$659k H1FY19.
- Operating revenue of \$1.83m compared to \$2.24m PCP reflecting a focus on securing recurring revenue, rather than consulting revenue.
- After-tax loss of \$1.91m (\$1.97m PCP).
- Continued product development investment of \$527k (\$752k PCP).
- In December, the Company successfully raised additional share capital of \$2.09m before costs through a non-renounceable rights issue.
- Cash balance of \$4.87m as at 31 December 2018 (30 June 2018: \$3.97m).

Melbourne, Australia: dorsaVi Ltd (ASX: DVL) has today released its Appendix 4D Financial Report and financial results for the half year ended 31 December 2018.

OPERATIONAL HIGHLIGHTS FOR THE PERIOD

- **Focus on the SaaS model led to a 68% growth in recurring revenue:** 68% growth in recurring revenue to \$659k compared to \$393k PCP. This growth is in line with the Company's strategic shift towards a more consistent and sustainable recurring revenue model and focus on its SaaS model for myViSafe (workplace market) and its clinical market products.
- **Streamlined operations continue to reduce costs:** dorsaVi continues to introduce operational efficiencies, with a \$640k reduction in operating costs compared to PCP. The Company also continues to invest in product innovation, with investing activities totalling \$618k (down from \$983k PCP).
- **Rights issue:** The Company successfully raised \$2.09M through a partially underwritten rights issue to support growth operations and working capital. dorsaVi reported a cash balance of \$4.87m at end of December 2018.
- **Historical operating performance:** The Group has incurred operating losses and generated negative cash flows from operations since inception. Short term financial forecasts indicate this is expected to continue and accordingly, the Group will be required to obtain additional working capital through capital raises, alternative means of financial support, or, both.

- **Other operational highlights:**

- In the clinical product domain, dorsaVi continued to gain traction in the US market in H1 FY19, in particular with its launch of the Professional Suite product in late June.
- Select Medical, a large franchise group in the US market with over 2,000 physical therapy sites, have continued to expand the dorsaVi offering within their clinics and now have the dorsaVi systems at over 70 of their clinics, up from 50 sites at 1 July 2018.
- Stryker, a Fortune 500 company operating in the global orthopaedic market, signed a new agreement in July 2018 with dorsaVi to use the new FDA-cleared Professional Suite sensors. The global orthopaedic market is estimated to be worth more than US\$66 billion by 2023 and is an exciting strategic market opportunity for dorsaVi.
- In the workplace market in H1, the growth of myViSafe systems was supported by expanded deals with Visy Industries in Australia and global company Fenner. Both organisations are broadening the utilisation of myViSafe across their businesses to help prevent workplace injuries and reduce associated costs, after conducting very successful pilot programs. These two workplace deals are ideal examples where dorsaVi has been able to embed its technology and data solutions into these workplaces, creating recurring revenue from the workplace market.

Commenting on the results, dorsaVi Chief Executive Officer Dr Andrew Ronchi noted; “We thank investors for their support for our rights issue. As we continue to grow our recurring revenue in both the clinical and workplace markets, we also remain committed to delivering operational improvements and efficiencies.”

– ENDS –

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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, 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.
- **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), Crown and BHP Billiton.

Further information is available at www.dorsavi.com.