



# INVESTOR UPDATE

SEPTEMBER 2020



# INVESTMENT HIGHLIGHTS



## SCALABLE WORLD-CLASS TECHNOLOGY

Tailored motion sensor products developed over several years, uniquely available to the workplace and clinical market, and differentiated by its global approvals (FDA, TGA, CE Mark)



## SUCCESSFUL TRANSITION TO HIGHER MARGIN, PRODUCT-LED MODEL

Strong platform to continue growing recurring revenue as business executes on a product-led strategy, transitioning away from lower margin, less scalable consulting model



## CLEAR AND VALIDATED STRATEGY IN PURSUING NEXT PHASE OF GROWTH

Core focus on penetrating US\$2.5bn US workplace market via direct to corporates or through insurance companies, supported by stable revenues from existing position in the clinical market



## APPROACHING A SIGNIFICANT VALUE INFLECTION POINT

Clear plan to cash flow break even, coupled with significant upside as revenue multiple not reflecting market value



# DORSAVI'S TECHNOLOGY IS UNIQUE AND PROVEN IN THE MARKET



## WHAT IS OUR TECHNOLOGY?

Wearable sensors that measure movement and muscle activity at 200 frames per second paired with patented algorithms



## HOW DOES IT WORK?

**Movement** - measured through use of accelerometers, magnetometers and gyroscopes

**Muscle** - measured through adhesive electrodes near the surface of the skin



## WHAT MAKES IT UNIQUE?

- ✓ Real time measurement with multiple sensors
- ✓ Product range tailored to different markets (workplace, clinical)
- ✓ Video synchronised with data
- ✓ Vibration analysis
- ✓ Clinically validated algorithms
- ✓ FDA, CE Mark and TGA approved



# DORSAVI HAS INVESTED HEAVILY TO BE AHEAD OF ITS COMPETITORS

## WORKPLACE & CLINICAL MARKET

Only company with a single platform technology that is offered across both the workplace and clinical market, tailored and optimised specifically for each

## ACCURACY & EFFICIENCY

Patented algorithms ensures more accurate data with less preparation time required (10-12 seconds launch) compared to competitors

## ADVANCED DATA INTERPRETATION

While competitors may be able to collect and provide data, we provide immediacy of information through our complex and automated analytical capabilities

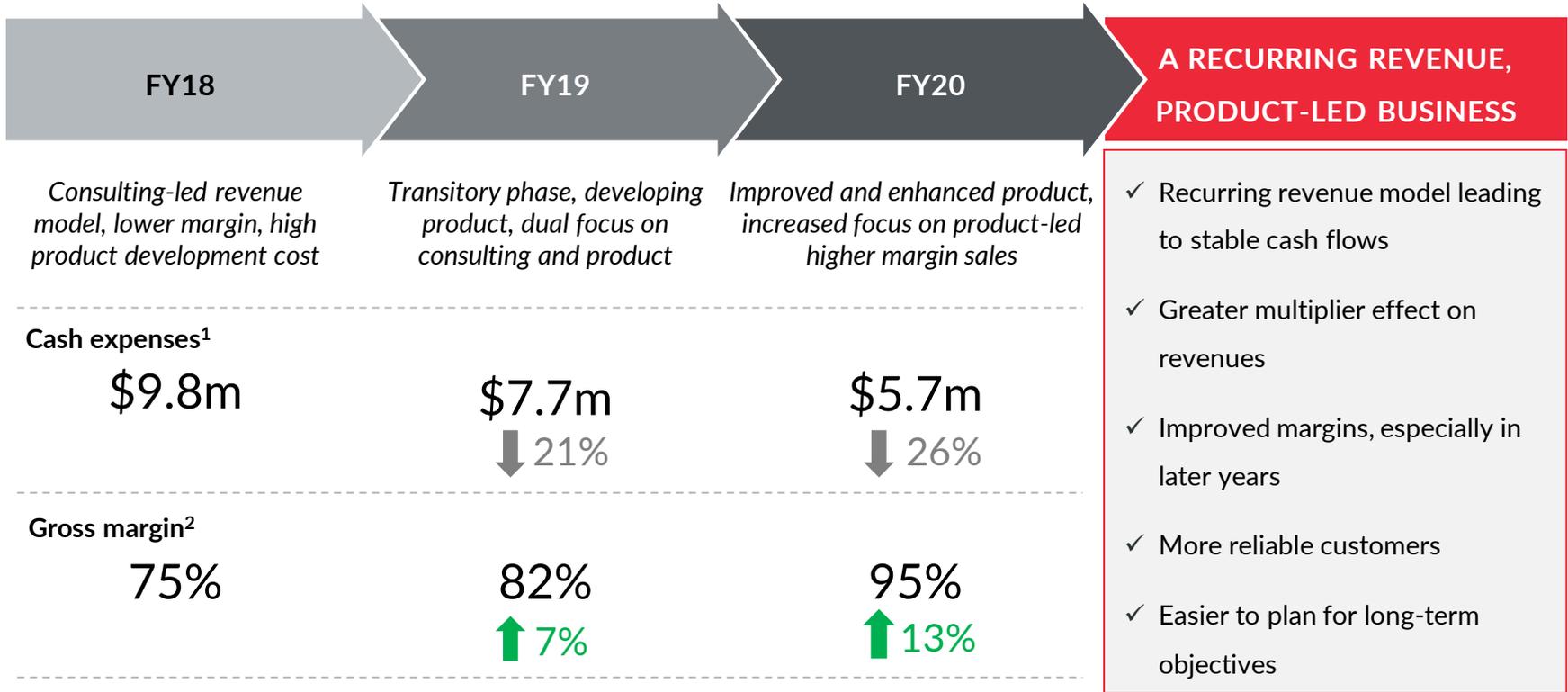
## REGULATORY APPROVALS

Strong validation of technology as one of the only companies in industry to have received FDA (US), CE Marking (Europe) and TGA (Australia) approvals





# SUCCESSFUL TRANSITION FROM LOW TO HIGH MARGIN REVENUE



Source: Company financials

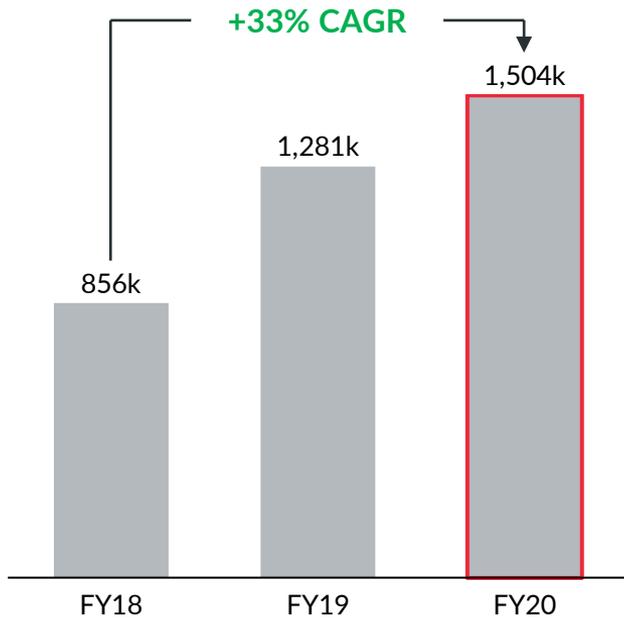
<sup>1</sup> Defined as cash expenses plus cash payments for P&E and intangibles

<sup>2</sup> Defined as revenue less cost of sales. Adjusted gross margin (operating revenue less total direct expenses) of 58%, 60% and 74%

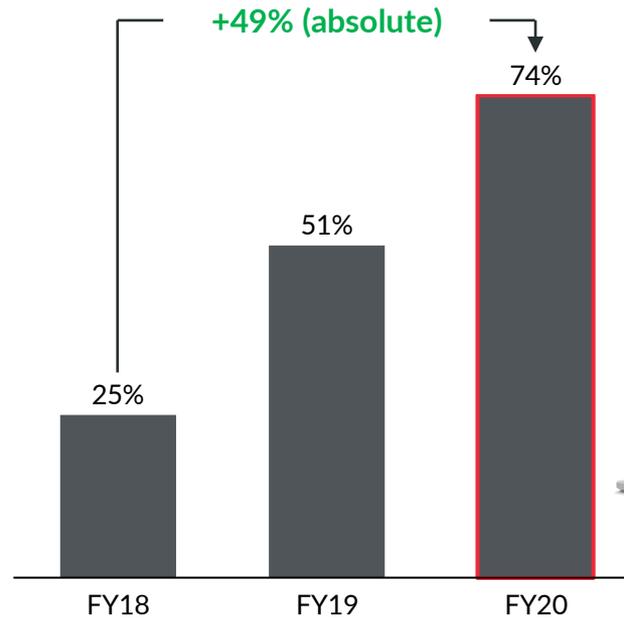


# INCREASING RECURRING REVENUE UNDERPINS DORSAVI'S VALUE

Recurring revenue (A\$k)



Recurring revenue as a % of total





# ROBUST BUSINESS MODEL HIGHLIGHTED BY COVID-19 RESILIENCE

90%

Workplace customer retention in FY20

80%

Clinical customer retention in FY20



Strategic partnership with further upside



Q4 FY20

A\$373k

Recurring revenues

↑ +10% QoQ

↑ +13% pcp





# DORSAVI HAS A GLOBAL, BLUE-CHIP CUSTOMER BASE

## USA

**55% FY20 revenue**  
Key target market going forward



Past and current clients

## UK

**20% FY20 revenue**  
Strong traction in transport and construction



Past and current clients

## AUS

**25% FY20 revenue**  
Strong traction in supermarket retail and manufacturing



Past and current clients



# TWO CORE TARGET MARKETS IN US: WORKPLACE AND CLINICAL



## Core product lines

**ViMove2™**



**myViSafe™**  
powered by **dorsaVi**



## Workplace

**CORPORATE**

*Contract with large, labour-intensive operating companies aiming to reduce workplace injuries*

**INSURANCE**

*Contract with insurance companies to reduce workplace claims from their corporate customers*



## Clinical

**PHYSIO**

*aka Physical Therapy*

*Provision of sensors to physical therapists aiming to optimise patient outcomes*

**HOSPITAL IN THE HOME**

*Provision of sensors from clinicians to patients for remote management of orthopaedic conditions*

**US\$2.5bn**

~850k business sites<sup>1</sup>

@ \$3k per year

**US\$1.7bn**

~105k clinical sites @ \$3k per year<sup>2</sup>

~1.5m procedures per year @ \$800 per kit<sup>3</sup>

<sup>1</sup> Total no. of business sites calculated based on distribution of sites for businesses with 100-999 employees, 1,000-4,999 employees and 5,000+ employees

<sup>2</sup> Assumes 1.5 ViMove kits on average per site

<sup>3</sup> Based on number of large joint replacements projected for 2020; Journal of Rheumatology April 2019



# WORKPLACE – CORPORATE: LARGE UNTAPPED MARKET

## Validated and proven technology



**87% reduction in lower back injuries**, resulting in **productivity improving 21%**



**53% reduction in injuries** within 12 months post intervention



**17% improvement** in productivity

## Solving for a large, unmet and costly need

- The total direct cost of non-fatal workplace in US is US\$60bn<sup>1</sup>, with indirect costs up to 5x larger<sup>2</sup>
- The cost per medically consulted injury is US\$41k<sup>3</sup>
- Injury rates have remained largely unchanged over the past decade
- There is a strong unmet need for an effective approach towards improving workplace safety



**dorsaVi currently has <1% share of the US\$2.5bn market<sup>4</sup>**

<sup>1</sup> 2017 Liberty Mutual Workplace Safety Index

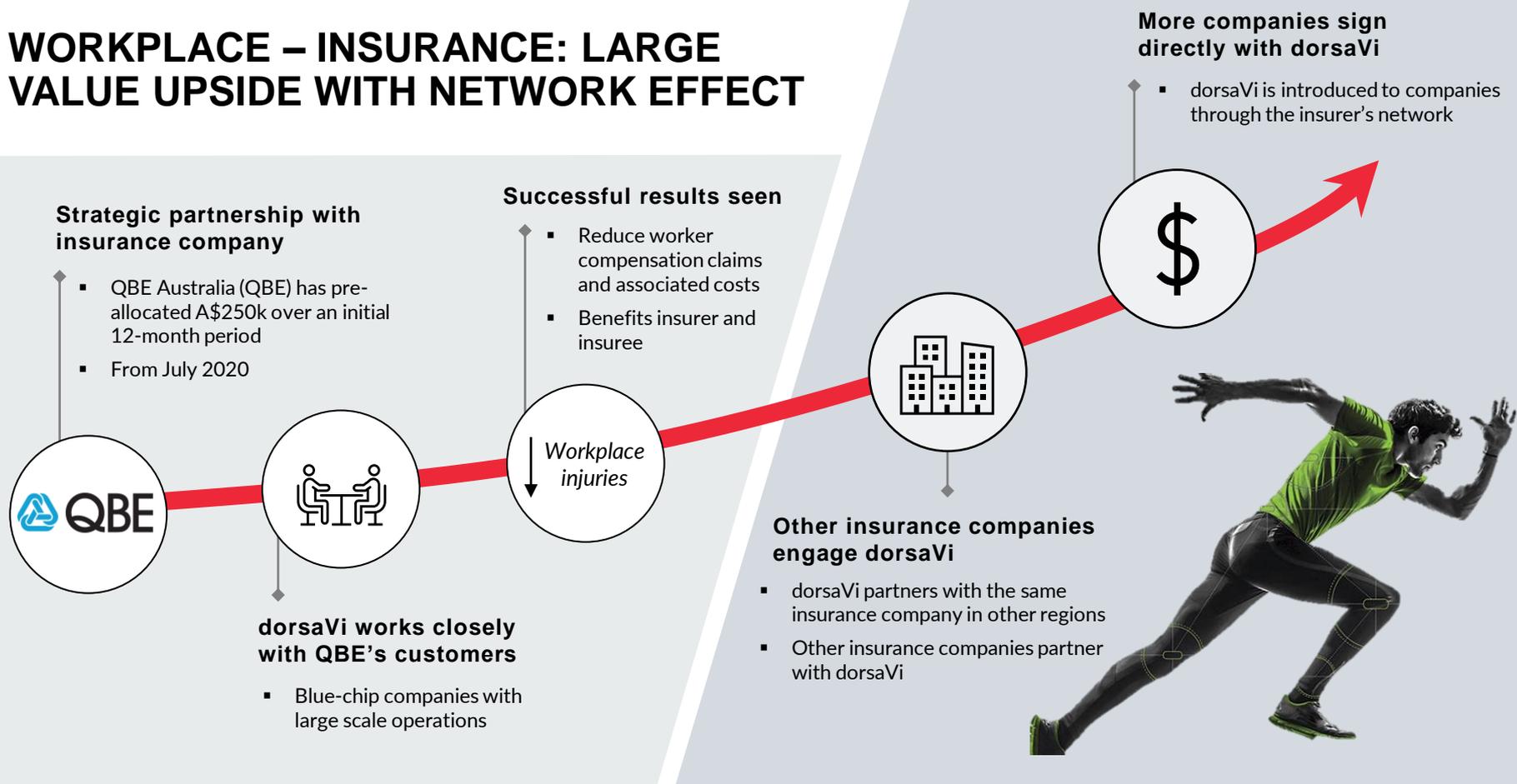
<sup>2</sup> The cost of Musculoskeletal Disorders Infographic; ErgoPlus

<sup>3</sup> 2018 Injury facts – work injury costs; National Safety Council

<sup>4</sup> Assumes ~850k business sites @ ~\$3k per year. Total no. of business sites calculated based on distribution of sites for businesses with 100-999 employees, 1,000-4,999 employees and 5,000+ employees



# WORKPLACE – INSURANCE: LARGE VALUE UPSIDE WITH NETWORK EFFECT





# CLINICAL – PHYSICAL THERAPY: BASE MARKET WITH ROOM TO GROW

## The problem

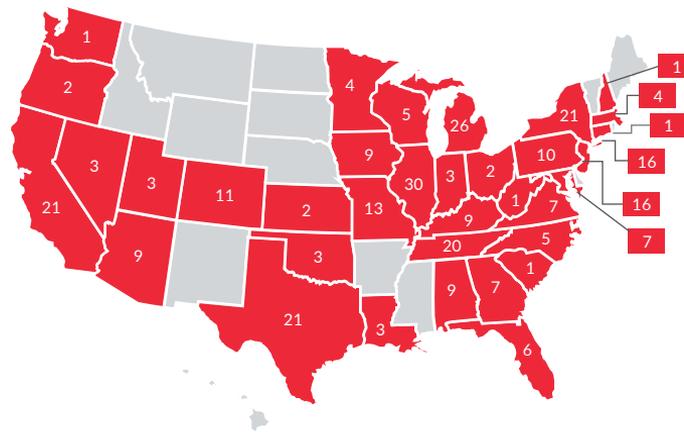
- Physical therapists need to be able to objectively assess their patients' movements in and out of the clinic
- Complex, subtle movements need to be automatically reported to the patient and captured as medical records
- There is a COVID-driven need for remote health solutions that are able to capture data remotely

## The dorsaVi solution

Patients and clinicians can view motion sensor data on an easy to use software interface, which is used to:

- Capture novel & clinically relevant data insights
- Assess the effectiveness of treatment & exercise programs
- Engage patients in their recovery through interactive features

## dorsaVi's products are in over 300 sites in US



**US\$0.5bn**  
Market opportunity<sup>2</sup>

<sup>1</sup> dorsaVi's number of kits in US by state, as of Q3 2020

<sup>2</sup> Based on ~105k clinical sites @ \$3k per year<sup>2</sup>, assumes 1.5 ViMove kits on average per clinical site



# CLINICAL – HOSPITAL IN THE HOME: ORTHOPAEDIC EXAMPLE

## The problem

- Health costs are not sustainable with US healthcare increasing at ~52%<sup>1</sup> more than GDP in 2018
- Hospitals are liable for the cost of subsequent admissions if within 30-60 days of original treatment
- To drive down costs, new data is sought to understand movement and alignment pre & post surgery

## The dorsaVi solution

A continuum of care program for patients undergoing surgery, aimed at reducing readmissions into hospitals:

- Provide data to surgeons pre op to guide alignment
- Track real-time patient recovery in early stage rehab
- Monitor the patient into the home environment, providing two way communication between the clinical group and the patient

## Our tech touches every stage of the surgical process



# US\$1.2bn

Market opportunity<sup>2</sup>



dorsaVi in second phase of agreement, working to develop / test product

<sup>1</sup> 2019 US Health Care Costs Skyrocketed to \$3.54 trillion in 2018; Fortune.com

<sup>2</sup> Based on 1.5m procedures per year @ \$800 per kit; 2020 projections from Journal of Rheumatology April 2019





# STRONG TAILWINDS AHEAD IN BOTH WORKPLACE AND CLINICAL

## Workplace

### Increasing focus on data and wearables by corporates

“ *The next decade will provide safety and health professionals with unprecedented opportunities to improve workplace safety through the deployment of wearable technology.* ”

Frank Cruice – Chair, Safety & Health Council US Poultry<sup>1</sup>

### Supported by strong business case for OHS spending<sup>2</sup>



Invested to become a safer place



Became 5x safer to work



Sales grew 15% per year over 5-year period

## Clinical

### Increasing focus on digital solutions in healthcare

- ✓ Increased data-driven decision making
- ✓ Point of difference / better customer service
- ✓ Optimising recovery outside the hospital
- ✓ Social distancing due to COVID



### Alongside growing demand for our novel data



Organisations are looking to leverage novel data to provide critical insights for their product development

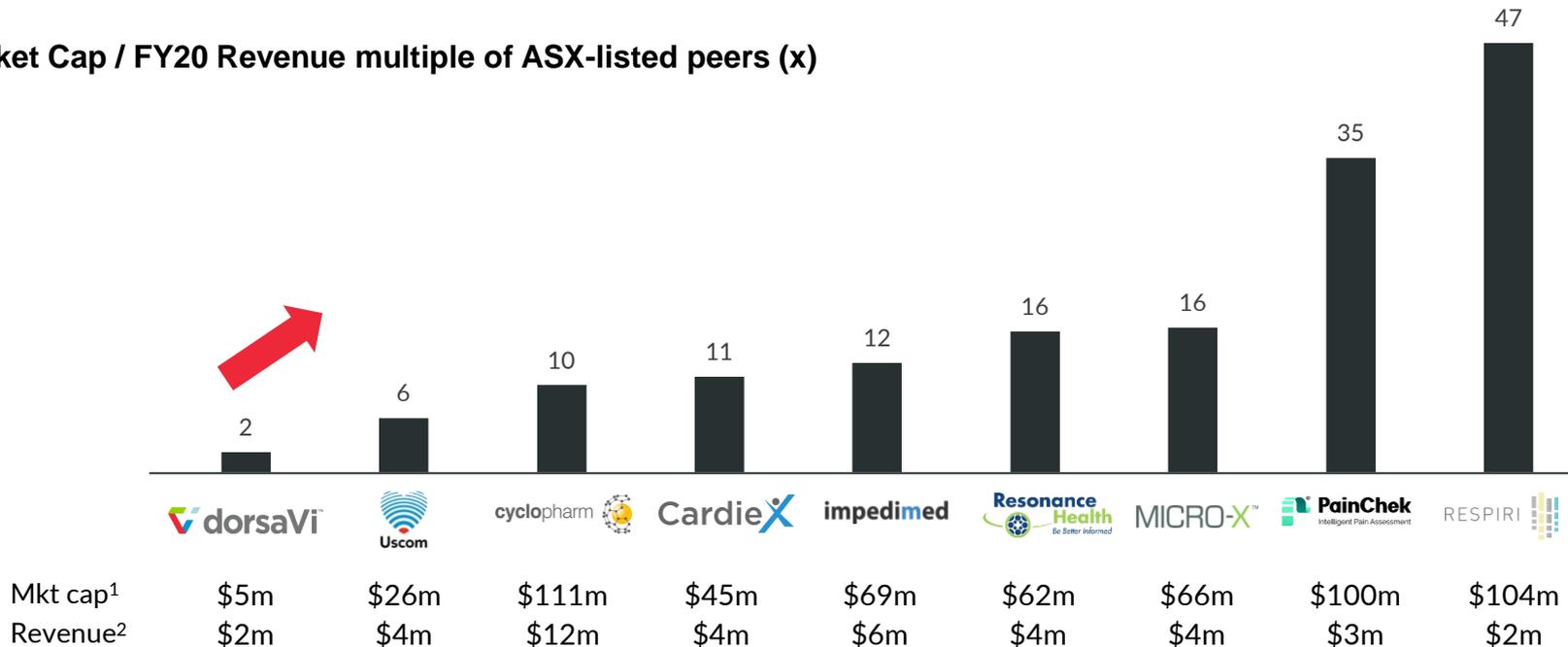
<sup>1</sup> 2020 Examinetics Safety and Health Trends

<sup>2</sup> The Business Case for Investment in Safety - A guide for executives; National Safety Council,



# SIGNIFICANT VALUE UPSIDE

## Market Cap / FY20 Revenue multiple of ASX-listed peers (x)



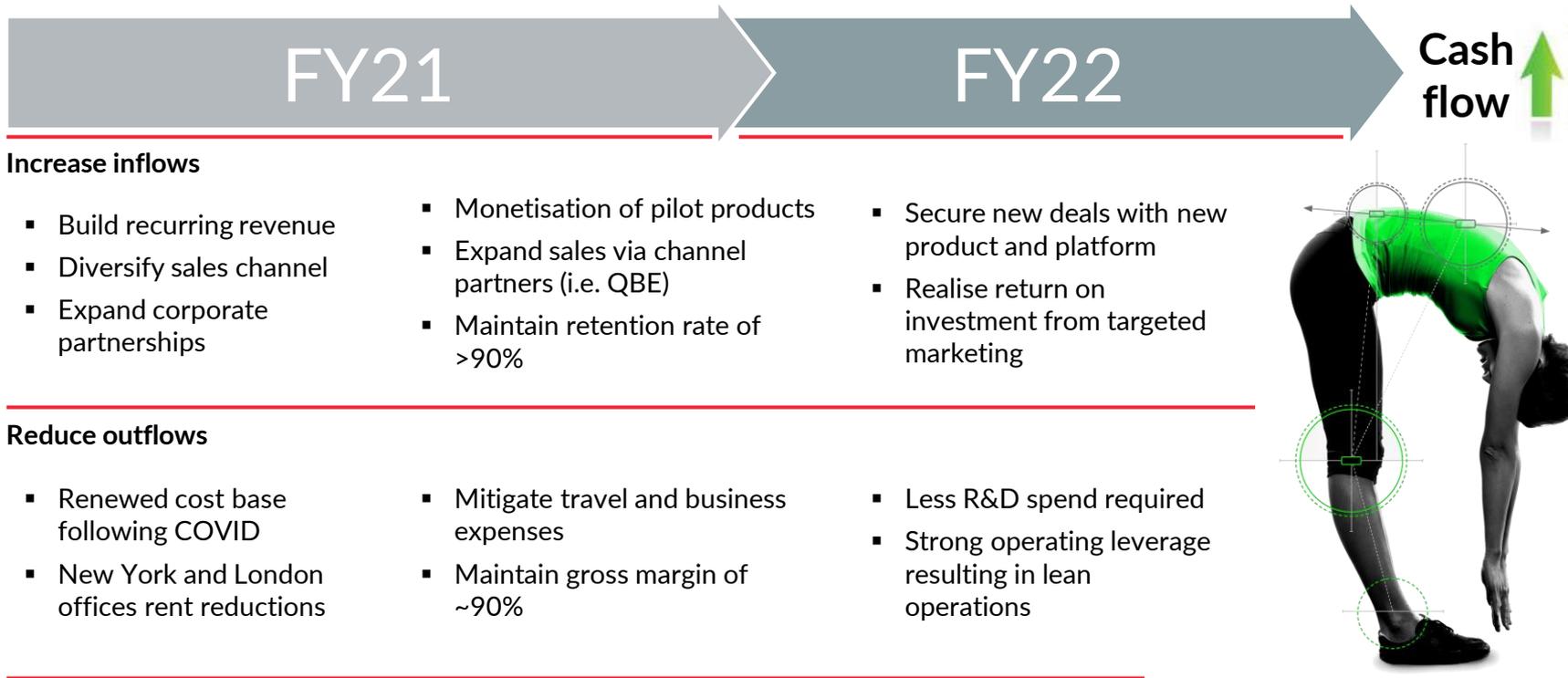
Source: Bloomberg, Company financials

<sup>1</sup> Market capitalisation as at close on 1-Sep-20; rounded to nearest million

<sup>2</sup> Based on FY20 total revenue where available, otherwise based on pro-rata forecasts of latest half yearly financials



# CLEAR PLAN TO CASH FLOW BREAK EVEN





# WELL POSITIONED TO DELIVER NEXT PHASE OF GROWTH

## Building blocks now firmly in place..

- ✓ Years of R&D to optimise technology
- ✓ Validated products with proven market leaders
- ✓ Established sales teams in different continents

## ..to deliver strong operating leverage..

- ✓ Recurring revenue with low customer churn
- ✓ High gross margins
- ✓ Scalable operations at low marginal cost

## ..and take advantage of strong tailwinds

- ✓ Increasing corporate focus to reduce workplace injuries
- ✓ Increasing adoption of technology by the health sector
- ✓ Increasing demand for our novel data



# BOARD OF DIRECTORS



## Greg Tweedly

Non-executive Chairman

- Director of Melbourne Health, Deputy Chair EPA Victoria and Chair of the Personal Injury Education Foundation
- Previously Director and Chief Executive Officer of the Victorian WorkCover Authority



## Michael Panaccio

Non-executive Director

- Former director at ImpediMed, Sirtex Medical, Protagonist Therapeutic and Energy Response
- Co-founder of Australian venture capital manager, Starfish Ventures



## Caroline Elliott

Non-executive Director

- Chief Executive Officer at Propel and Director at St John's Ambulance Australia (Vic)
- Former NED at Cell Therapies and Peter MacCallum Cancer Centre
- Former Chief Operating Officer of Kookai



## Ashraf Attia

Non-executive Director

- 25+ years of senior management experience in medical devices, biotech and diagnostics
- Former Managing Director, Asia Pacific of St Jude Medical/Thoratec

# EXECUTIVE TEAM



## Andrew Ronchi

Director & Chief Executive Officer

- Founder and CEO of dorsaVi from inception
- Founding partner in five physiotherapy centres and former Physiotherapist at AFL clubs
- PhD (Comp & Sys Eng.) on wearables; GAICD



## Matt May

General Manager

- Physiotherapy trained.
- Experienced people leader and general manager with 10+ years' experience working for ASX listed product and services companies in the health and technology sectors



## Damian Connellan

Chief Financial Officer

- Formerly partner at KPMG in Australia and Asia
- Extensive experience in advising ASX-listed companies and small to medium sized businesses



## David Erikson

Chief Technology Officer

- Experienced product developer, with 20+ years' experience across start-ups and multi-nationals
- Previously held management and engineering roles at Covidien, AMD, and Intel

# CORPORATE INFORMATION

## About dorsaVi

- Specialises in the development of wearable sensor technology
- Proprietary software to measure movement and muscle activity
- Core focus on US workplace and clinical markets

## Trading information

Share price (18-Sep-20)	A\$0.023
Shares outstanding	231.4m
<b>Market capitalisation</b>	<b>A\$5.3m</b>
Cash (30-Jun-20)	A\$1.7m
Adj. debt <sup>1</sup> (30-Jun-20)	A\$0.2m

## Share price performance (last 12 months)



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