

30 October 2019

## ASX ANNOUNCEMENT

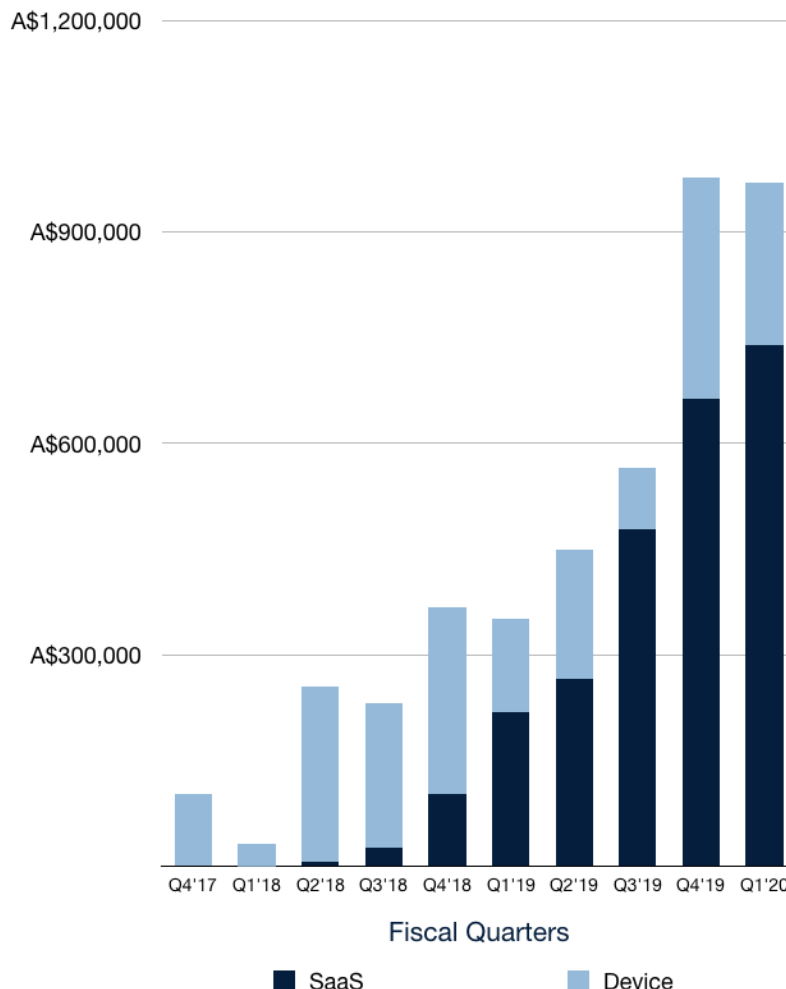
### APPENDIX 4C – Quarter Ended 30 September 2019 (Q1 FY'20)

**Brisbane, Australia** – ImpediMed Limited (ASX:IPD), a medical software technology company that non-invasively measures, monitors and manages fluid status and tissue composition using bioimpedance spectroscopy (BIS), today released its Appendix 4C – Quarterly Cash Flow report for the period ended 30 September 2019.

#### Key Financial Performance Highlights:

- **ImpediMed is well on track to achieve its FY'20 Guidance of \$7M - \$10M Revenue:**
- Total Revenue for Q1 FY'20 of \$1.4 million, matching the previous quarter's rise and up 56% from the previous corresponding period (Q1 FY'19: \$0.9 million).
- SOZO® SaaS Revenue for Q1 FY'20 up 250% from the previous corresponding period to \$0.7 million (Q1 FY'19: \$0.2 million).

### SOZO Revenue (Excluding Legacy)



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- Contracted Revenue Pipeline<sup>i</sup> up 96% from the previous corresponding period to \$9.2 million (Q1 FY'19: \$4.7 million) and 6% quarter over quarter.
- Annual Recurring Revenue<sup>ii</sup> up 117% from the previous corresponding period to \$3.9 million (Q1 FY'19: \$1.8 million) and up 15% quarter over quarter.
- 40 new contracted SOZO devices, a good result following on from the 51 units sold in the seasonally stronger quarter of Q4 FY'19.
- A total of more than 440 SOZO units have been sold since launch.
- The customer churn rate remains negligible at less than 0.5%.

**Other Financial Performance Highlights:**

- **Cash flow and operating costs tracking to budget FY'20:**
- Cash on hand as of 30 September 2019 of \$18.7 million.
- Cash receipts from customers for the quarter of \$1.3 million.
- Net operating cash outflow of \$5.3 million (including payments of annual staff bonuses).
- Q2 FY'20 cash receipts from customers estimated in the range of \$1.3 - \$1.7 million and estimated net operating cash outflow of \$3.8 - \$4.2 million in Q2 FY'20.

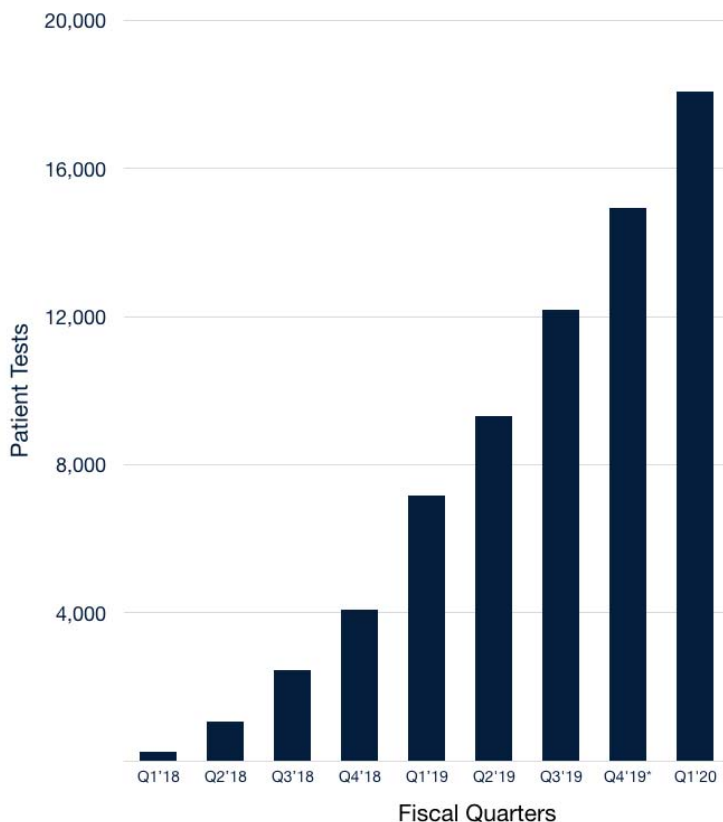
**Operational Highlights:**

- **More than 18,000 patient tests were conducted in the quarter**, again increasing quarter over quarter by more than 20%, and bringing the total patient tests on file to over 69,000.

This demonstrates the growing awareness of the importance of lymphoedema prevention and adoption of SOZO, as our customers continue to routinely integrate SOZO testing into their patient care practices.

**SOZO Patient Tests To-Date**

(69,000+ on File)



\* v3.0 Data Migration

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- **Announced the launch of the comprehensive Lymphoedema Prevention Program**, with the goal of ending cancer-related lymphoedema. ImpediMed's new website, [www.preventlymphedema.com](http://www.preventlymphedema.com), is designed to highlight improvements in the early detection of lymphoedema.
- **Reimbursement:** We have met with national and regional insurers to discuss reimbursement. The meetings have been productive, and we remain optimistic as we continue through the process with all parties. Additionally, we have engaged MCRA, one of the leaders in US reimbursement, increasing the resources to drive payment of our unique CPT® I Code (93702).
- **NCCN Guidelines®:** The Vanderbilt led application was submitted to a face-to-face meeting of the NCCN panel and we are awaiting the outcome.
- **Held meeting with the PREVENT Trial Principal Investigator** to review the progress of the three-year study, confirming several manuscripts were in progress or completed, with 2-year data to be released within the coming months. Last patient follow-up to be completed by December 2020, with the primary end points manuscript published thereafter.
- **Heart Failure (HF) Advisory Board Meeting held at the 2019 Heart Failure Society of America (HFSA) Scientific Meeting.** A subset of these physicians has begun to refine the HF data and develop reference ranges for monitoring patients living with heart failure. ImpediMed is using its growing patient database to provide a baseline for development of a HF index. This data, combined with the information obtained from the initial HF study, will allow ImpediMed to develop its application that both identifies and tracks fluid overload in HF patients.

“We believe that the traction we’re seeing with our SaaS business model and the launch of the Lymphoedema Prevention Program are highly encouraging steps in driving near and long-term value,” said Richard Carreon, Managing Director and CEO of ImpediMed.

### Investor Conference Call

An investor conference call will be held on Wednesday 30<sup>th</sup> October at 9.15am AEDT.

If you have not already pre-registered for the call you can access using the dial in details below:

**Conference ID:** 10002561

Dial in numbers

<b>Australia Toll Free:</b>	<b>1 800 558 698</b>
Australia Local:	02 9007 3187
<b>New Zealand Toll Free:</b>	<b>0800 453 055</b>
China Wide:	4001 200 659
Belgium:	0800 72 111
Hong Kong:	800 966 806
Singapore:	800 101 2785
United States/Canada:	1(855) 881 1339

## Contact Details

**Richard Carreon**  
Managing Director & CEO

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## About ImpediMed

Founded and headquartered in Brisbane, Australia with US and European operations, ImpediMed is a medical software technology company that non-invasively measures, monitors and manages fluid status and tissue composition using bioimpedance spectroscopy (BIS).

ImpediMed produces a family of FDA cleared and CE Marked medical devices, including SOZO® for multiple indications including heart failure and lymphoedema, sold in select markets globally.

For more information, visit [www.impedimed.com](http://www.impedimed.com).

## Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on management's beliefs, assumptions and expectations and on information currently available to management.

All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements, including without limitation our expectations with respect to our ability to expand sales and market acceptance in the US and Australia including our estimates of potential revenues, costs, profitability and financial performance; our ability to develop and commercialize new products including our ability to obtain reimbursement for our products; our expectations with respect to our clinical trials, including enrolment in or completion of our clinical trials and our associated regulatory submissions and approvals; our expectations with respect to the integrity or capabilities of our intellectual property position.

Management believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. ImpediMed does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. ImpediMed may not actually achieve the plans, projections or expectations disclosed in forward-looking statements. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

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<sup>i</sup> **Contracted Revenue Pipeline (CRP):** Future period revenue amounts related to TCV<sup>iii</sup> that are yet to be reported as recognised revenue.

<sup>ii</sup> **Annual Recurring Revenue (ARR):** The amount of revenue reasonably expected to be booked for the next 12-month period based on existing signed contracts, and assuming installation upon sale.

<sup>iii</sup> **Total Contract Value (TCV):** Total value of customer contracts including one-time and recurring revenue.

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## 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**

ImpediMed Limited

**ABN**

65 089 705 144

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

30 September 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,309	1,309
1.2 Payments for		
(a) research and development	(943)	(943)
(b) product manufacturing and operating costs	(406)	(406)
(c) advertising and marketing	(300)	(300)
(d) leased assets	-	-
(e) staff costs	(5,850)	(5,850)
(f) administration and corporate costs	(1,830)	(1,830)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	43	43
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	2,650	2,650
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(5,327)</b>	<b>(5,327)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(67)	(67)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets (intangibles)	(303)	(303)

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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 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>(370)</b>	<b>(370)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	13,926	13,926
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	(1,039)	(1,039)
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)	(121)	(121)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>12,766</b>	<b>12,766</b>

Item 3.9: Cash outflows relate to the implementation of AASB 16 Leases for the Group's premises leases.

<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	11,330	11,330
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,327)	(5,327)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(370)	(370)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	12,766	12,766
4.5	Effect of movement in exchange rates on cash held	267	267
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>18,666</b>	<b>18,666</b>

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5. <b>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	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	13,843	3,165
5.2 Call deposits	4,823	8,165
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>18,666</b>	<b>11,330</b>

6. <b>Payments to directors of the entity and their associates</b>	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	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	

Item 6.1: Payments to directors consist of Non-Executive Directors' superannuation. At 30 September 2019, there were \$158,000 in Directors' fees accrued or unpaid, related to equity-based remuneration and superannuation.

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
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	

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**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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	(500)
9.2 Product manufacturing and operating costs	(300)
9.3 Advertising and marketing	(200)
9.4 Leased assets	-
9.5 Staff costs	(3,100)
9.6 Administration and corporate costs	(1,400)
9.7 Other (provide details)	-
<b>9.8 Total estimated cash outflows</b>	<b>(5,500)</b>

Item 9.8: Estimated cash outflows are expected to be offset by cash inflows (cash receipts from customers and interest received) in the range of \$1.3 - \$1.7 million, which would result in an estimated net operating cash outflow of \$3.8 - \$4.2 million in Q2 FY'20.

Estimated cash outflows for Q2 FY'20 are based on an exchange rate of \$1AUD=\$0.68USD.

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

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**Compliance statement**

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

Sign here:

  
Company Secretary

Date: 30 October 2019

Print name: Leanne Ralph

**Notes**

1. 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.
2. 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.
3. 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.