



dorsaVi Ltd 30 June 2018 Results Announcement

Key points:

- Total revenue of \$4.39M, up 13% on prior corresponding period (PCP)
- Sales revenue of \$3.43M for the 2018 financial year, down 1% on PCP
- Expenses up 5% in 2018 financial year on PCP
- Full Year Loss after tax of \$3.73M down 4% on PCP
- \$3.97M held in cash at 30 June 2018

Melbourne, Australia – 31 August 2018: dorsaVi Ltd (ASX: DVL) today released its Preliminary Financial Report for the year ended 30 June 2018.

Total revenue for the full year was \$4.39 million (up 13% on the prior corresponding period). The company continued to generate sales revenue across all three primary geographies – the United States, United Kingdom, and Australia.

Total expenditure increased by \$419,686 to \$9,035,015 (5% year on year) largely reflecting an increase in non-cash expenditures of \$675,714 for expenses such as the write-off of goodwill and amortisation and depreciation.

The loss from continuing operations after income tax for the 2018 financial year was \$3,727,073 (2017: \$3,876,248), a reduction of 4% on the 2017 financial year.

A summary of the Company's major achievements and milestones is outlined below:

Clinical Solutions

In the year ending 30 June 2018, the Company launched dorsaVi Professional Suite in the U.S., a major milestone which introduced the new generation product to the clinical market. Adopting a SaaS model and designed for mass market appeal, Professional Suite has received strong interest and uptake among clinicians. The launch aligns with the Company's emphasis on annuity revenue and as a result, dorsaVi now has two annuity products in the U.S. (myViSafe™ for OHS and dorsaVi Professional Suite). The year also saw dorsaVi strengthen its intellectual property via new patents, clear regulatory milestones and secure agreements with major new clients.

Highlights for the year include:

- Launch of dorsaVi Professional Suite, the Company's latest generation of clinical movement technology, in the U.S. With more than 284,000 physical therapists and 25,000 orthopaedic surgeons in the country, the U.S. clinical opportunity is significant. Its user-friendly interface and SaaS model allows dorsaVi to scale the business and grow annuity revenue.
- Launch of ViMove2™ in UK and Europe in 2Q FY18.

- U.S. FDA 510(k) clearance for next generation ViMove2™ device (marketed as Professional Suite in the U.S.)
- Strategic agreement signed with Curtin University which adopted 100 ViMove2™ devices for use in a new clinical trial. The deal also funds the development of dorsaVi technology which was already in the Company's product development pipeline.
- Strengthened intellectual property position with granting of a new knee patent in the U.S. This brings the total number of patent families held by the Company to seven, with 13 patents granted in eight countries.
- Granted \$1.1 million in funds by Federal Government as part of the Advanced Manufacturing Growth Fund. The funds have been used to support enhancements to current manufacturing facilities.

Workplace Solutions (OHS)

As companies continue to seek innovative technologies and use objective data to support safe workplace practices, dorsaVi has capitalised on this interest and secured a number of repeat and new clients in its ViSafe™ portfolio. In the year, the Company signed agreements with major corporations, including Fortune 500 company Stryker and US-based insurance giant AIG PC Global Services to use dorsaVi technology for workplace safety. dorsaVi also experienced continued adoption of its self-managed solution, myViSafe™, demonstrating its commitment to grow ongoing annuity revenue.

Highlights for the year include:

- One of the world's leading medical technology companies, Stryker Corporation, signed a contract to use dorsaVi's workplace assessment solution ViSafe™. Stryker is a Fortune 500 company and the agreement has the potential to be effective until February 2020.
- dorsaVi signed a large, multi-country contract with AIG PC Global Services which has opened up a new market for the Company's technology, namely in insurance. The agreement spans the U.S., U.K., Hong Kong, and Singapore and demonstrates the value of engaging global firms.
- Continued adoption of the Company's annuity revenue product and self-managed solution, myViSafe™, among clients has helped set up a foundation of ongoing revenue to scale the business. As of the 30 June, 28 organisations are using myViSafe™.
- One of Australia's largest aged care providers, Japara Healthcare (ASX:JHC) signed an agreement to implement dorsaVi's myViSafe™ to improve workplace manual handling safety for its staff.
- Continued momentum with new and repeat contracts, including Tesla, Visy, Heathrow Airport, Melbourne Water, Coles, Woolworths, Big W, Endeavour Energy, Caterpillar, Japara Healthcare, Johnson & Johnson, The Linde Group, AIG, Amazon, and Weyerhaeuser. dorsaVi has been encouraged by the broad range of industries new clients come from, including the healthcare sector (Johnson & Johnson), industrial sector (The Linde Group), and the insurance sector (AIG).
- While outside the financial year, Powercor signed a c\$120k agreement in early July to use dorsaVi's technologies to improve workplace safety. They are the latest addition to the Company's list of infrastructure clients, which include Melbourne Water, Snowy Hydro, and Endeavour Energy.

Elite Sports Solutions

The Company expanded its elite sports solution (ViPerform™) across all markets and during the year, signed on teams from the National Basketball Association (NBA) and the National Football League (NFL) in the US, as well as AFL and NRL clubs in Australia. The adoption of dorsaVi's technology by elite sports team and athletes and the resulting brand association continues to help the Company solidify its position as an innovative motion analysis device company. dorsaVi remains committed to this market.

dorsaVi CEO, Dr Andrew Ronchi, commented: "The 2018 financial year was an important year for dorsaVi as we continued to grow our roster of clients by securing new agreements and deals, and simultaneously rolling out a number of operational changes in line with our strategic focus on the U.S. market. Milestones such as the launch of dorsaVi Professional Suite – our annuity revenue product in the U.S. – and the signing of large multinational companies as clients have been pleasing, as it demonstrates companies in the U.S. have an appetite for data-driven technology."

"The momentum resulting from our operational changes has been positive and while these changes have had an impact on the financial performance in the second half to the year, we believe that in the long term it will help us achieve greater market penetration in the U.S."

"During the year, we reported a 13% growth in total revenue. While sales revenue was comparable to last year, we believe that our focus on raising revenue from our annuity products and securing more agreements with large and global companies will help set up great growth opportunities in the new financial year, particularly in the OHS and clinical markets. Raising annuity revenue streams will enable dorsaVi to scale the business and we look forward to updating the market on this," said Dr Ronchi.

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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.

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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.