

Tuesday, 29 April, 2014

## Quarterly Cashflow for Period Ended 31 March 2014

**Melbourne, Australia:** Medical device company dorsaVi Ltd (ASX: DVL) has today released its Appendix 4C – Quarterly Cashflow report for the period ended 31 March 2014.

The Company's net operating cash outflow for the quarter was \$919,000 and related to increased operating activities as the company expands its sales and marketing resources to drive market adoption of its products across multiple geographies. The Company has a strong balance sheet with a reported cash position of A\$15,663,000.

dorsaVi's revolutionary wireless technology enables human movement and position to be captured, quantified and assessed outside of the lab in an external environment. This real-time approach provides immediate and more accurate information for clinicians.

During the quarter dorsaVi made solid progress in preparing for expansion into markets for its revolutionary wireless sensor products ViMove, ViSafe and ViPeform, designed for use in clinical/medical, occupational health and safety and elite sports.

This included:

- Expansion of Direct Sales Force and Business Development Team – including appointment of management and sales personnel in the UK and US.
- New Product Sales – Australia, Belgium and UK, including the signing of 2013 AFL premiers Hawthorn Football Club, along with 2013 NRL champions, the Sydney Roosters and flagship clinical sites including Olympic Park Sports Medicine Centre (Melbourne) and Broadgate Spine and Joint Clinic (London).
- A relationship with global insurer, Allianz, which has recently commenced recommending the use of ViSafe in Australian workplaces. As a result of the initiative and following an Allianz referral, Victorian Health Services provider Monash Health has commenced a biomechanical assessment program of workers using dorsaVi's ViSafe.
- The Orora Group (previously Amcor) is using ViSafe in its South-Australian based packing facility to further improve health and safety standards among its employees, specifically those who are operating high performance corrugating machinery.
- Product Expansion with ViMove Running - Grandstand Sports Injury Clinic in Newcastle is trialling the most recent addition to dorsaVi's family of master products, ViMove Running, which assists athletes and runners in improving performance and managing injury.

dorsaVi Chief Executive Officer Andrew Ronchi said: "We had a very clear focus this quarter on establishing our direct sales and marketing team in the US, Australia and UK/Europe to drive product sales across our three revolutionary products and we are pleased to have made significant progress on this front."

“In particular, the appointment of John Kowalczyk, a highly credentialed medical device specialist in the US, to lead dorsaVi's US sales and operations, is a very positive signal of the global market opportunity created by dorsaVi products ViMove, ViPerform and ViSafe.”

“In parallel, we continue to make solid progress in signing new customers across all divisions of the business and for the first time saw our relationship with insurance giant Allianz convert to our first joint client.”

- ENDS –

**For more information or to arrange an interview, contact:**

**MEDIA**

Tahlia Weston  
Buchan Consulting  
0450 606 950

[tweston@buchanwe.com.au](mailto:tweston@buchanwe.com.au)

**INVESTOR**

Rebecca Wilson  
Buchan Consulting  
0417 382 391

[rwilson@buchanwe.com.au](mailto:rwilson@buchanwe.com.au)

**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.

DorsaVi's technology has applications across three sectors:

- **Elite Sports:** *ViPerform* for assessment and management of player injury. Currently used by AFL clubs Hawthorn, Richmond, Western Bulldogs, Essendon, Fremantle and Brisbane Lions; English Premier League clubs Manchester United and West Bromwich Albion; the Australian and Victorian Institutes of Sport, the Queensland Academy of Sport and Cricket Australia.
- **OH&S:** *ViSafe* for improving work practices and workplace safety and design.. Objective human movement data allows management to make decisions based on facts rather than opinions. This type of new insight has led to a relationship with global insurer, Allianz, which has recently commenced recommending the use of ViSafe in Australian workplaces. ViSafe has also been used by major corporates including Coles, Woolworths, Toll, Toyota, Crown and BHP Billiton.
- **Medical and physiotherapy:** *ViMove* for assessing and treating low back pain and other musculoskeletal conditions. Currently used by medical and physiotherapy clinics in Australia and the UK. dorsaVi has obtained regulatory approval and is marketing and selling *ViMove* as a medical device in both Australia and Europe. dorsaVi has listed its ViPerform device with the FDA,



allowing an immediate launch into the US market, and continues to seek 510(k) clearance for ViMove in relation to the treatment of low back pain.

For personal use only

## Appendix 4C

### Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

dorsaVi Ltd

ABN

15 129 742 409

Quarter ended ("current quarter")

March 2014

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	226	547
1.2 Payments for (a) staff costs	(636)	(1,668)
(b) advertising and marketing	(117)	(215)
(c) research and development	(46)	(174)
(d) leased assets	(408)	(657)
(e) other working capital	(408)	(657)
1.3 Dividends received	62	90
1.4 Interest and other items of a similar nature received	62	90
1.5 Interest and other costs of finance paid		(1)
1.6 Income taxes paid		514
1.7 Other (provide details if material)		
<b>Net operating cash flows</b>	<b>(919)</b>	<b>(1,564)</b>

+ See chapter 19 for defined terms.

For personal use only

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(919)</b>	<b>(1,564)</b>
<b>1.9 Cash flows related to investing activities</b>		
Payment for acquisition of:		
(a) businesses (item 5)	(30)	(114)
(b) equity investments	(18)	(51)
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
<b>1.10 Proceeds from disposal of:</b>		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (Payment for Term Deposit)		
	(48)	(165)
<b>Net investing cash flows</b>		
<b>1.14 Total operating and investing cash flows</b>	<b>(967)</b>	<b>(1,729)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.		18,500
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (Cost of raising capital)	(3)	(1,376)
Other (Increase of loan to related entity)		(6)
	(3)	17,118
<b>Net financing cash flows</b>		
<b>Net increase (decrease) in cash held</b>	<b>(970)</b>	<b>15,389</b>
1.21 Cash at beginning of quarter/year to date	16,633	274
1.22 Exchange rate adjustments to item 1.20		
	15,663	15,663
1.23 <b>Cash at end of quarter</b>		

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	242
1.25	Aggregate amount of loans to the parties included in item 1.11	n/a

1.26 Explanation necessary for an understanding of the transactions

- Salary and superannuation to CEO (director of the entity) and CTO (substantial shareholder of the entity) \$155k
- Reimbursement of business expenses to Pro-Active Industries Pty Ltd (an entity associated with the CEO) \$4k
- Reimbursement of business expenses to CTO \$6k
- Non Executive Directors' fees and expenses reimbursements \$67k
- Rent and related costs to Starfish Ventures Pty Ltd (an entity associated with Dr Panaccio, a director of the entity) \$10k

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

n/a

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

n/a

**Financing facilities available**

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

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	n/a	n/a
3.2	Credit standby arrangements	n/a	n/a

+ See chapter 19 for defined terms.

For personal use only

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	5,663	16,633
4.2 Deposits at call	10,000	n/a
4.3 Bank overdraft	n/a	n/a
4.4 Other (provide details)	n/a	n/a
<b>Total: cash at end of quarter (item 1.23)</b>	<b>15,663</b>	<b>16,633</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	n/a	n/a
5.2 Place of incorporation or registration	n/a	n/a
5.3 Consideration for acquisition or disposal	n/a	n/a
5.4 Total net assets	n/a	n/a
5.5 Nature of business	n/a	n/a

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..... Date: 29 April 2014  
 (Company secretary)

Print name: Brendan Case

+ See chapter 19 for defined terms.

For personal use only

## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

---

+ See chapter 19 for defined terms.

For personal use only