



30 January 2019

## ASX ANNOUNCEMENT

### APPENDIX 4C – Quarter Ended 31 December 2018 (Q2 FY19)

**Brisbane, Australia** – ImpediMed Limited (ASX:IPD), a global provider of medical technology to non-invasively measure, monitor and manage tissue composition and fluid status using bioimpedance spectroscopy (BIS), today released its Appendix 4C – Quarterly Cash Flow report for the period ended 31 December 2018.

#### Revenue and Financial Performance Highlights:

- Contracted Revenue Pipeline<sup>1</sup> increased to \$7.0 million, up 49% from \$4.7 million as of 30 September 2018;
- \$2.7 million in Total Contract Value<sup>2</sup> for SOZO<sup>®</sup> signed during the quarter, total of \$8.5 million since launch;
- \$2.5 million in Annual Recurring Revenue<sup>3</sup> for SOZO<sup>®</sup> contracts as of 31 December 2018, up 39% from \$1.8 million as of 30 September 2018;
- 83 new contracted SOZO<sup>®</sup> devices, total of 317 since launch;
- Net operating cash outflow for the quarter of \$4.9 million;
- Cash receipts from customers for the quarter of \$1.0 million, and cash on hand as of 31 December 2018, of \$22.6 million.

#### Other Operational Highlights:

- Commenced enrollment of 200 Patient Heart Failure Trial;
- Sale of the assets of XiTRON Technologies, Inc.;
- First health plan adopted SOZO<sup>®</sup> for CHF monitoring;
- Bioimpedance and L-Dex Recommended in Leading Journals
  - “Lymphedema after Breast Cancer Treatment” was published in the New England Journal of Medicine (NEJM) on 15 November 2018 by Dr. Stanley Rockson, Allan and Tina Neill Professor of Lymphatic Research and Medicine at Stanford University;
  - “Correlation of L-Dex Bioimpedance Spectroscopy with Limb Volume and Lymphatic Function in Lymphedema” was published by MD Anderson, and it concluded that L-Dex correlates most closely with all measures and is the recommended metric when using BIS;

<sup>1</sup> **Contracted Revenue Pipeline (CRP):** Future period revenue amounts related to TCV that are yet to be reported as recognised revenue.

<sup>2</sup> **Total Contract Value (TCV):** Total value of customer contracts including one-time and recurring revenue.

<sup>3</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.

- Dr. Stanley T. Rockson in Lymphatic Research and Biology (LRB), focused his editorial piece on a single article, the first paper published on the first 12 months of the PREVENT trial, which recommended a strict protocol using BIS in surveillance of cancer survivors for early detection of lymphoedema.
- Publication of “Early Surveillance Is Associated With Less Incidence and Severity of Breast Cancer-Related Lymphedema Compared With a Traditional Referral Model of Care” in Cancer by Louise Koelmeyer from Macquarie University. The study found that the use of BIS as part of an early prospective surveillance model of care results in significantly earlier detection of lymphoedema over time and that earlier detection of lymphoedema will lead to lower health care costs.

“This was a record quarter for us with \$2.7 million worth of signed contracts as we continue to successfully expand our SOZO® customer base. We have now delivered over 300 SOZO devices to customers across the world, with \$7.0 million in Contracted Revenue Pipeline still to be recognized as revenue from these customers. We look forward to continue reporting on the progress of our commercial expansion, our clinical programs, and our private payor reimbursement progress in the coming quarters,” 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> January at 9am AEDT.

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

**Conference ID:** 891203

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
Canada:	1855 8811 339
Hong Kong:	800 966 806
Singapore:	800 101 2785
United States:	(855) 881 1339

**Richard Carreon**  
**Managing Director & CEO**

### Media Contact:

Kyahn Williamson, WE Buchan

T: +61 3 9866 4722

E: [kwilliamson@buchanwe.com.au](mailto:kwilliamson@buchanwe.com.au)

**About ImpediMed**

Founded and headquartered in Brisbane, Australia with US and European operations, ImpediMed is the world leader in the design and manufacture of medical devices employing bioimpedance spectroscopy (BIS) technologies for use in the non-invasive clinical assessment and monitoring of tissue composition and fluid status.

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).

## 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")**

31 December 2018

<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	956	2,295
1.2 Payments for		
(a) research and development	(537)	(1,047)
(b) product manufacturing and operating costs	(523)	(940)
(c) advertising and marketing	(141)	(361)
(d) leased assets	-	-
(e) staff costs	(3,181)	(8,858)
(f) administration and corporate costs	(1,582)	(3,645)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	105	227
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	40	2,949
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(4,863)</b>	<b>(9,380)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(21)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets (intangibles)	(651)	(974)

<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)	467	467
	(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>(184)</b>	<b>(528)</b>
<b>3. Cash flows from financing activities</b>			
3.1	Proceeds from issues of shares	16	16
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	-	(2)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>16</b>	<b>14</b>
<b>4. 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	27,178	31,345
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,863)	(9,380)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(184)	(528)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	16	14
4.5	Effect of movement in exchange rates on cash held	491	1,187
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>22,638</b>	<b>22,638</b>

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<b>5. 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	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	4,047	4,957
5.2 Call deposits	18,591	22,221
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>22,638</b>	<b>27,178</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	154
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 Directors' salaries and superannuation and Directors' fees for the quarter. These figures include only Non-Executive Directors. At 31 December 2018, there were nil Directors' fees accrued and unpaid.

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

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	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.		

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9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	(600)
9.2 Product manufacturing and operating costs	(300)
9.3 Advertising and marketing	(200)
9.4 Leased assets	-
9.5 Staff costs	(3,300)
9.6 Administration and corporate costs	(1,400)
9.7 Other (provide details)	-
<b>9.8 Total estimated cash outflows</b>	<b>(5,800)</b>

Item 9.8: Net estimated cash outflows are also expected to be offset by cash receipts from customers in the range of \$0.8 million - \$1.1 million, resulting in a net cash burn of \$4.7 - \$5.0 million in Q3.

Estimated cash outflows for Q3 are based on an exchange rate of \$1AUD=\$0.72USD.

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	N/A	XiTRON Technologies, Inc.
10.2 Place of incorporation or registration	N/A	California, USA
10.3 Consideration for acquisition or disposal	N/A	621
10.4 Total net assets	N/A	496
10.5 Nature of business	N/A	Test and Measurement device sales

**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:

  
Director

Date: 30 January 2019

Print name: Judith Downes

**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.

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