Annual Report 2024

impedimed®

» Revolutionising patient care

impedimed.com

Overview

ImpediMed is a leading global medical technology company that manufactures and sells innovative medical devices employing bioimpedance spectroscopy (BIS) technology. These devices are used for the non-invasive clinical assessment and monitoring of fluid status and tissue composition in patients.

Patient-centric innovation, primarily addressing the significant challenges and burdens of secondary lymphoedema, with a particular focus on breast cancer-related lymphoedema (BCRL). Through the SOZO® Digital Health Platform and L-Dex®, ImpediMed offers the only FDA-cleared technology utilising BIS, becoming the standard of care for the early detection and management of BCRL.

Our commitment is to address significant unmet patient needs in breast cancer-related lymphoedema and cancer-related lymphoedema, through innovation in the design and delivery of fluid and body composition analytics. Our newly appointed Board and Executive Leadership team is leading a refined strategy focused on sales execution and innovation.

Our mission: To improve patient outcomes by setting new standards of care in fluid and body composition management.

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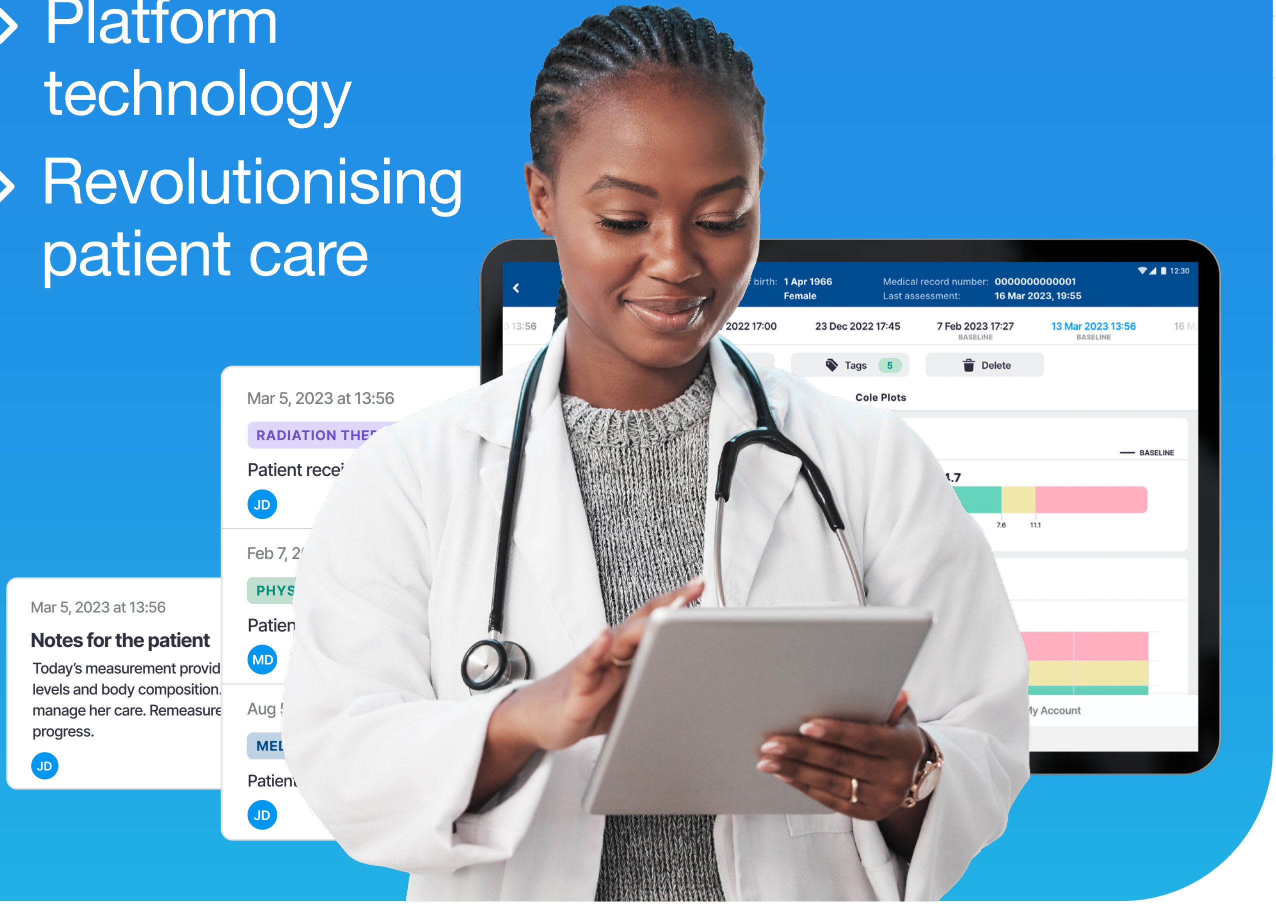
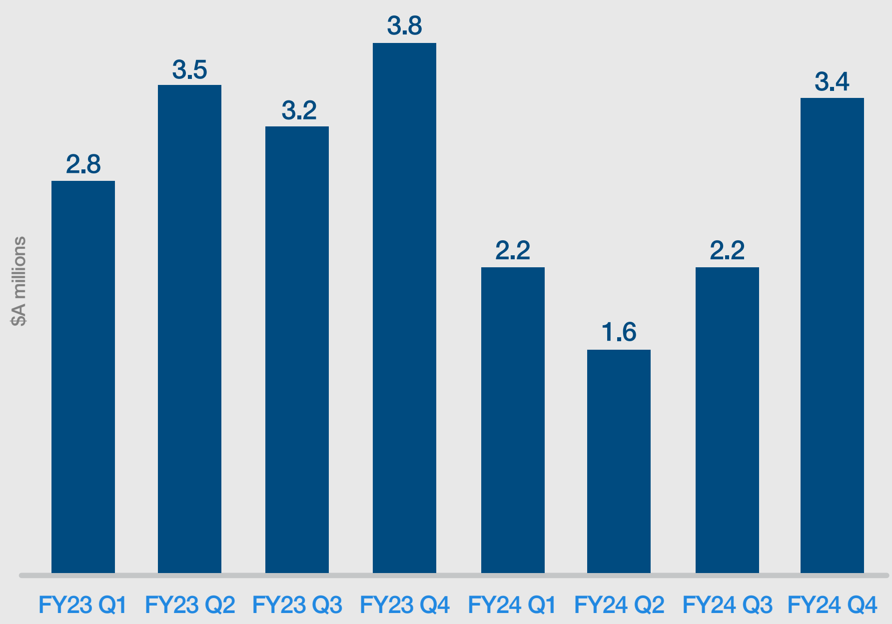
» Platform technology
» Revolutionising patient care



SOZO Core Business quarterly Total Contract Value (TCV)



- » Focus on commercial execution with urgency
- » **Gaining momentum**

Letter to shareholders

As we conclude the 2024 financial year, we are proud to reflect on a year of significant progress and achievement for ImpediMed. Our commitment to advancing patient-centric innovation continues to drive what we do, reinforcing our position as a leader in the medical technology field.

This year, we have made significant strides in addressing the critical needs of patients suffering from secondary lymphoedema, particularly breast cancer-related lymphoedema (BCRL). Our SOZO® Digital Health Platform and L-Dex® technology continue to set new standards in the early detection and management of BCRL, distinguishing ImpediMed as the sole provider of FDA-cleared BIS technology.

A key highlight of 2024 has been the substantial progress in increasing reimbursement for our platform technology. Starting the financial year with zero covered lives and ending the year with 140 million covered lives in the United States, our solutions are now more accessible than ever, ensuring that a greater number of patients can benefit from early detection and prevention of chronic lymphoedema, a debilitating and potentially life-long condition.

The opportunity for our solutions in breast cancer-related lymphoedema and other cancer-related lymphoedema is compelling. We have continued to see adoption of our digital health platform in leading cancer centres, underscoring the unmet needs and significant market opportunities that lie ahead.

FY2024 saw the appointment of a new Board in September 2023, McGregor Grant as interim CFO in November 2023 and Dr Parmjot Bains as interim CEO in January 2024. In July 2024, the CEO and CFO roles were appointed on an ongoing basis.

In February 2024, Christine Emmanuel-Donnelly was appointed Chair of the Board and Chair of the Nomination Committee, in addition to her role as Chair of the Remuneration Committee. In June 2024, Ms Fiona Bones, was appointed to the Board as a Non-executive Director and subsequently Chair of the Audit and Risk Management Committee.

Since the appointment of the new Board, ImpediMed has leveraged the significant experience of the Directors. In April 2024, Director Andrew Grant was appointed to the role of Vice President of Product Development and Customer Solutions in an interim capacity, for a maximum of six months, with the key responsibility to lead the development of ImpediMed's new product roadmap, together with ensuring an appropriate organisational structure is in place to deliver on its plans. Andrew's executive appointment will end in October, after which he will continue as a Non-executive Director. Janelle Delaney has visited the software team in Greece to review the software development processes and made a number of recommendations to improve quality and speed of outputs, which are now being implemented. Christine Emmanuel-Donnelly's IP experience is being leveraged to strengthen our IP portfolio.

April 2024 saw the establishment of a new Executive Leadership team with world-class capabilities, a renewed focus and refined strategy, centering on sales execution and operational excellence. Forty-four percent of our team are now in roles that face customers directly, driving this customer and sales execution focus. Our team's dedication and expertise have positioned us for sustainable growth and lay a solid foundation for achieving our financial targets. Revenue growth for the first 3 quarters of the financial year was slow, but Q4 results were encouraging, showing signs of the emerging impact of the focus on sales and marketing execution, with 12% growth in revenue, 135% growth in the leads pipeline, and a 7.5% increase in patient measurements over the previous quarter.

Total revenue in FY24 was $10.3 million, compared with $11.3 million in FY23. Revenue associated with the SOZO-Core business was $9.7 million, an increase of 14% compared with FY23 SOZO-Core business revenue of $8.5 million.

Letter to shareholders

In Q4 FY24 actions were taken to reduce the Company's cash burn rate. As a result, FY25 operating cash expenditure is forecast to be 10% lower compared with FY24 (after allowing for one-off costs and other normalisation adjustments) mainly as the net result of adjustments to headcount, salaries and investment in customer facing roles.

FY24 saw numerous publications supporting BIS technology for prevention of lymphoedema, which is critical to driving medical awareness. These publications build on more than 500 peer-reviewed, published articles on our BIS technology and over 40 different disease states or medical conditions.

At ImpediMed, we pride ourselves on the diversity and inclusivity of our Board and Executive Leadership team. Our leadership comprises individuals from a wide array of backgrounds, experiences, and perspectives, reflecting our commitment to fostering an environment where innovation thrives. Gender diversity on our Board is 67% female and 33% male, and Executive Leadership team 44% female and 56% male, and our team comes from a diverse range of backgrounds and experiences. This diversity enables us to better understand and address the needs of the global markets we serve. By incorporating varied insights and expertise, we drive more effective decision-making and strategic planning, ultimately leading to improved patient outcomes and commercial success. Our diverse team is a cornerstone of our strength, fueling our mission to revolutionise medical technology and enhance the lives of patients worldwide.

Looking ahead to FY25, we are well-positioned to continue our growth trajectory. Our focus remains on expanding our market presence, driving revenue growth, and moving towards cash-flow break-even. We are confident that our strategic initiatives in lymphoedema, and building new indications will continue to deliver value to our shareholders and improve the lives of patients worldwide.

We extend our deep gratitude to our dedicated employees, whose hard work and passion drive our success, and to our shareholders for their continued support and confidence in ImpediMed. Together, we are making a difference in the lives of patients and shaping the future of medical technology.

Thank you for being part of our journey.

Christine Emmanuel-Donnelly
Chair

Dr Parmjot Bains
Managing Director and CEO

SOZO® DIGITAL HEALTH PLATFORM

A single SOZO measurement provides:

- L-Dex® lymphoedema analysis
- HF-Dex® heart failure analysis
- BodyComp™ analysis
- Hy-Dex® hydration analysis

One device, multiple FDA cleared applications

- Lymphoedema - FDA clearance, CE Mark
- Body composition - FDA clearance, CE Mark
- Heart failure - FDA clearance, CE Mark
- Protein calorie malnutrition - FDA clearance, CE Mark

HITRUST
CSF Certified

The World's Most Advanced Non-Invasive Bioimpedance Spectroscopy (BIS) System

SOZO, utilising cutting-edge BIS technology, delivers a comprehensive snapshot of fluid status and tissue composition in under 30 seconds. ImpediMed's proprietary technology sends 256 unique frequencies through the body to assess both intra and extracellular fluid.

This precise detection of fluid changes aids healthcare providers in managing chronic diseases and offers individuals valuable insights for personal health management. BIS provides highly accurate metrics for routine monitoring and patient health management.

Results are instantly available at the point of care through cloud-based software, allowing for aggregation and trending across the healthcare system. This FDA-cleared, CE-marked, and ARTG-listed digital health platform supports early detection of secondary lymphoedema, monitors fluid status in heart failure patients, and aids in overall health maintenance from a single measurement.

Actionable

Aggregates and trends patient data for actionable insights.

Quick

30-second, non-invasive test.

Scalable

Patient data accessible by care teams across the health system.

Secure

Controlled access to the HITRUST certified SOZO network with unique security settings.

Strong Adoption and Validated Technology

ImpediMed, through its parent company and subsidiary ImpediMed, Inc., is a global provider of medical technology for measuring, monitoring, and managing tissue composition and fluid status using BIS. Revenue is generated through the system sale of medical devices like SOZO and subscription services for SOZO devices. In the U.S., a direct sales force focuses on SOZO health system contracts, while independent distributors manage sales outside the U.S.

1,000+ SOZO Systems placed globally

Cleveland Clinic

KU Medical Center The University of Kansas

The University of Texas MD Anderson Cancer Network

City of Hope

UPMC University of Pittsburgh Medical Center

University Hospitals

UFHealth University of Florida Health

Montefiore Health System

SHARP San Diego's Health Care Leader

The Ohio State University Wexner Medical Center

Clinical Practice Guidelines Support BIS

In March 2024, the NCCN Clinical Practice Guidelines in Oncology (NCCN Guidelines®) for Survivorship reaffirmed BIS as the recommended tool for screening at-risk cancer patients for early signs of lymphoedema. ImpediMed, with its SOZO® Digital Health Platform and L-Dex®, remains the sole provider of FDA-cleared BIS technology for lymphoedema assessment. The guidelines advocate regular screening for cancer survivors at risk.

New clinical guidance published in eClinicalMedicine by the Multinational Association of Supportive Care in Cancer (MASCC) highlights early detection and prevention strategies, emphasising the importance of regular monitoring for lymphoedema.

Guidelines Support Subclinical Detection, Intervention and BIS

NCCN

National Comprehensive Cancer Network® (NCCN®)

For patients and survivors at risk for lymphoedema:
- Recommends regular screening for lymphoedema by bioimpedance spectroscopy if available[1]

THE AMERICAN SOCIETY OF Breast Surgeons

American Society of Breast Surgeons

For breast cancer patients:
- Recommends prospective surveillance
- Recommends baseline and follow-up measurements

INTERNATIONAL SOCIETY OF LYMPHOLOGY

International Society of Lymphology (ISL)

For cancer patients at risk for lymphoedema:
- Recommends prospective surveillance
- Recommends bioimpedance spectroscopy (BIS) as an option for early detection

MASCC

Multinational Association of Supportive Care in Cancer

For cancer patients at risk for lymphoedema:
- Recommends prospective surveillance
- Recommends bioimpedance spectroscopy (BIS) as an option for early detection

APTA

American Physical Therapy Association

For breast cancer patients:
- Recommends prospective surveillance
- Recommends monitoring with BIS

For diagnosis of upper quadrant lymphoedema:
- Recommends L-Dex to detect subclinical lymphoedema

ONS Oncology Nursing Society

Oncology Nursing Society

For patients who have had cancer-related surgery:
- Recommends prospective surveillance
- Recommends lymphoedema education

LE&RN Center of Excellence

Lymphatic Education & Research Network Center of Excellence Program
- Requires risk assessment using perometry or bioimpedance spectroscopy

nln National Lymphedema Network

National Lymphedema Network
- BIS provides reliable data and can detect early changes associated with lymphoedema

1. Referenced with permission from the NCCN Clinical Practice Guidelines in Oncology (NCCN Guidelines®) for Survivorship V.1.2024. © National Comprehensive Cancer Network, Inc. 2024. All rights reserved. Accessed April 15, 2024. To view the most recent and complete version of the guidelines, go online to NCCN.org. NCCN makes no warranties of any kind whatsoever regarding their content, use or application and disclaims any responsibility for their application or use in any way.

McLaughlin SA, et al. Considerations for Clinicians in the Diagnosis, Prevention, and Treatment of Breast Cancer-Related Lymphedema: Recommendations from a Multidisciplinary Expert ASBrS Panel. ASO 2017;DOI 10.1245/s10434-017-5982-4. The diagnosis and treatment of peripheral lymphedema: 2020 Consensus Document of the International Society of Lymphology. Lymphology. 2020;53:3-19. Wong HC, et al., Multinational Association of Supportive Care in Cancer (MASCC) clinical practice guidelines for the prevention of breast cancer-related arm lymphedema (BCRAL): international Delphi consensus-based recommendations. eClinicalMedicine 2024;68:102441. Davies C, et al. Interventions for Breast Cancer–Related Lymphedema: Clinical Practice Guideline From the Academy of Oncologic Physical Therapy of APTA. Physical Therapy 2020;100(7):1-17. Levenhagen K, et al. Diagnosis of Upper Quadrant Lymphedema Secondary to Cancer: Clinical Practice Guideline From the Oncology Section of the American Physical Therapy Association. Physical Therapy 2017;97(7):729-45. Armer J, et al. ONS Guidelines™ for Cancer Treatment-Related Lymphedema. Oncology Nursing Forum 2020;47(5):518-38. LE&RN Centers of Excellence Program Description and Link to Online Application. https://lymphaticnetwork.org/documents/CoE_Program_Description_and_Link_to_Online_Application.pdf. Accessed August 6, 2021. National Lymphedema Network Position Statement: The Diagnosis and Treatment of Lymphedema. February 2011.

Operating and financial review

Continued momentum with private payors

Since June 2023, ImpediMed has secured coverage with a number of private payors, including two of the top five private payors and several regional payors. As a result, over 140 million lives are covered in the U.S with sixteen states reaching over 80% coverage, reflecting significant payor adoption, and supporting increasing patient access.

Expanded customer footprint – poised for growth

With increasing payor coverage, ImpediMed is seeing growth in adoption of SOZO by health systems. The growth was evident in Q4 FY24 with expansion into a number of large Integrated Delivery Networks (IDNs) along with sales to new customers and renewals of existing contracts.

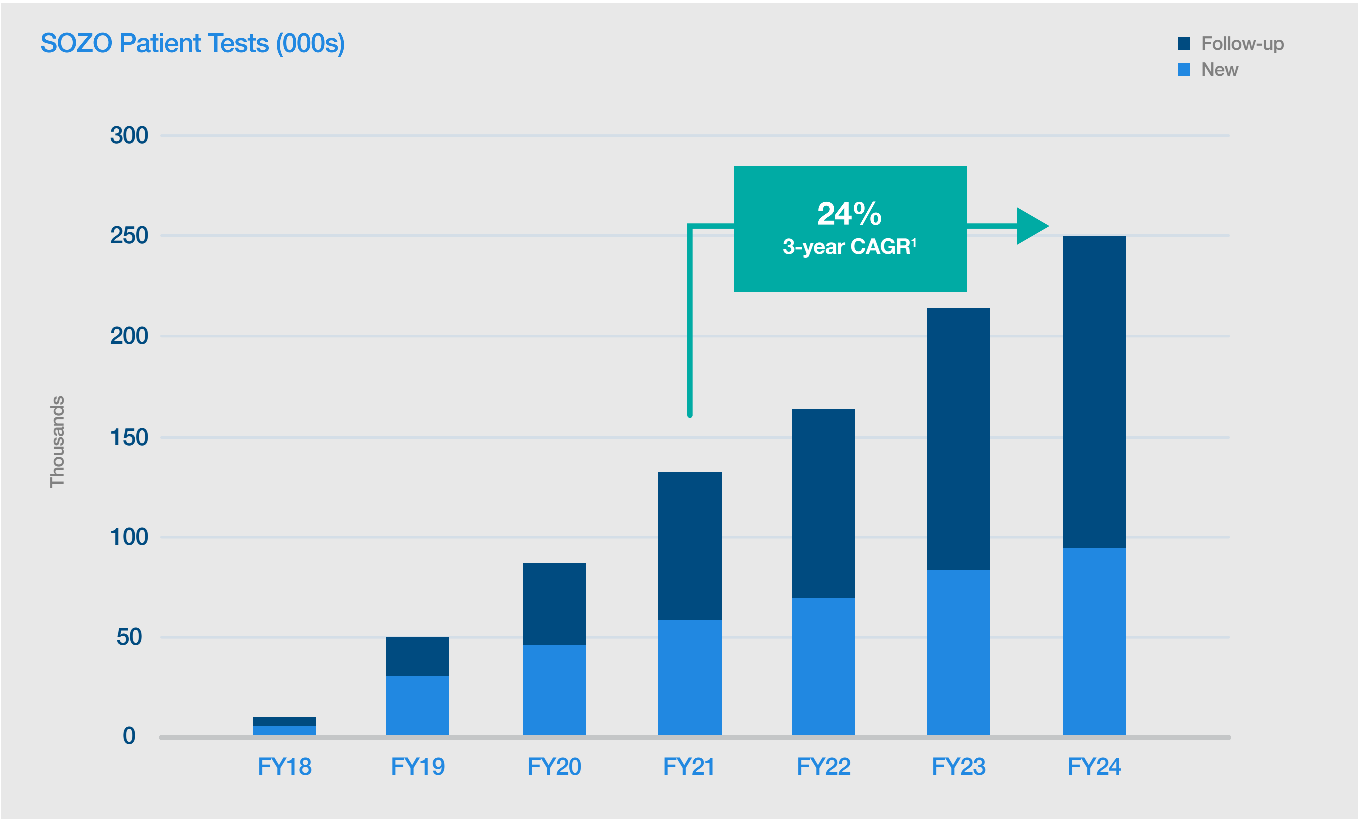
During Q4 FY24, expansions into key IDNs included:

- A Texas oncology group expansion with 6 new devices increasing to 8 in total;
- A national plastics and breast surgical group expanded its pilot of 3 SOZOs in December '23 with additional 5 units in Q4; and
- A Connecticut large IDN continued system expansion to 9 units in total.

With a strong presence in top-tier customers, including 23 of 33 NCCN Institutions, 17 of the top 25 IDNs, and over 150 of the top 500 U.S. Cancer Centers, ImpediMed is well-positioned for continued growth.

Technology adoption – increased patient testing

Since the launch of SOZO, over 900,000 patient tests have been conducted, with 250,000 in FY24, representing an 18% year-over-year increase. Q4 FY24 saw a record 68,000 tests, a 22% increase compared with the same quarter of the previous year. This patient database, which has grown at a 3-year CAGR of 24%, has enhanced the accuracy of SOZO, automated key protocols, improved algorithms, and provided real-world data for regulatory clearances.



1. Compound Annual Growth Rate (based on annual totals)

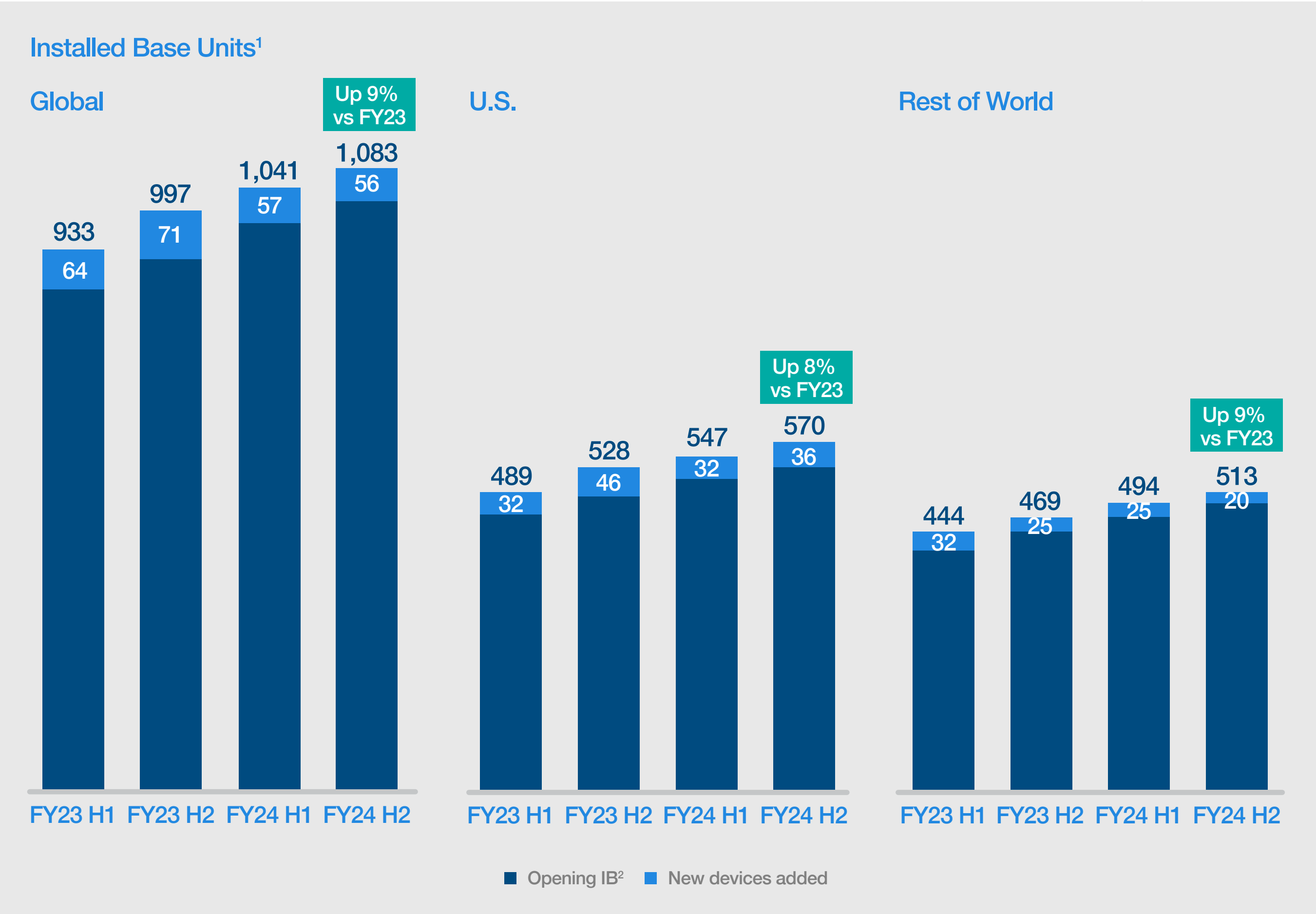
Operating and financial review

Installed base growth

Global installed base grew 9% over the year finishing FY24 with 1,083 SOZO systems installed.

In the U.S., installed base grew in FY24 by 42 units or 8% to 570 units. In FY24 a total of 68 new units were installed, down 13% compared with 78 new units installed in FY23. In Q4 FY24 a total of 23 new units were placed in the U.S., an increase of 77% compared with the previous quarter, demonstrating improved momentum resulting from the emerging impact of the focus on sales and marketing execution.

In the Rest of World (ROW) markets, the installed base grew 9% to 513 units, a net increase of 44 units over FY23. Total new placements for the year were 45, highlighting very low churn in the region. The majority of ROW sales were made in Australia via the Company's distribution partner.



1. Review of installed base underway
2. Net of churn in current quarter (FY24 global churn <3%) Churn = [Number of devices cancelled or not renewed in period] / [Average cumulative device placements in the period].

New market opportunities and development activities

ImpediMed is finalising development of a new software release that will further enhance the functionality and user experience of the SOZO Digital Health Platform and SOZO Pro, the next generation of the SOZO system which includes an integrated scale and the removal of the contra-indication for patients with pacemakers and implantable defibrillators.

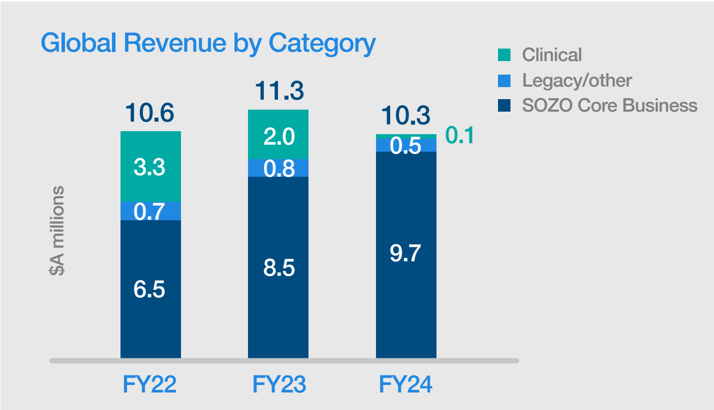
As part of ImpediMed's R&D strategy, Andrew Grant, interim VP Product Development, is leading a review of new market opportunities, including oncology related body composition and heart failure/acute care, with the aim of incorporating the results of this review into an updated product development roadmap in H1 FY25.

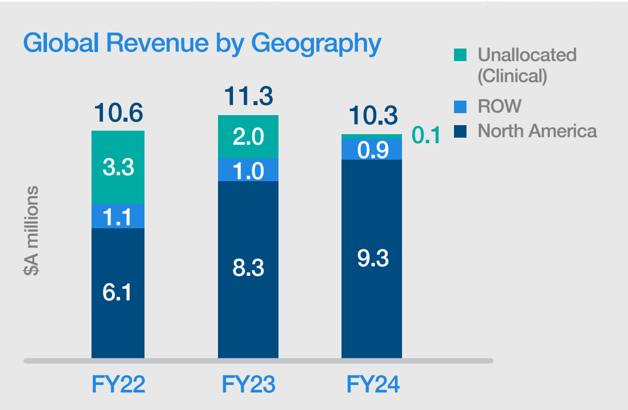
Operating and financial review

Global revenue

Total revenue in FY24 was $10.3 million, a decrease of 9% or $1.0 million compared with FY23. In constant currency[1] total revenue was down 11% compared with the previous year. The decrease in revenue was mainly due to the completion of clinical trials conducted by AstraZeneca, which contributed revenue of $0.1 million in FY24 compared with $2.0 million in FY23. Significantly, revenue associated with SOZO Core Business[2] in FY24 was $9.7 million, up $1.2 million or 14% compared with FY23.

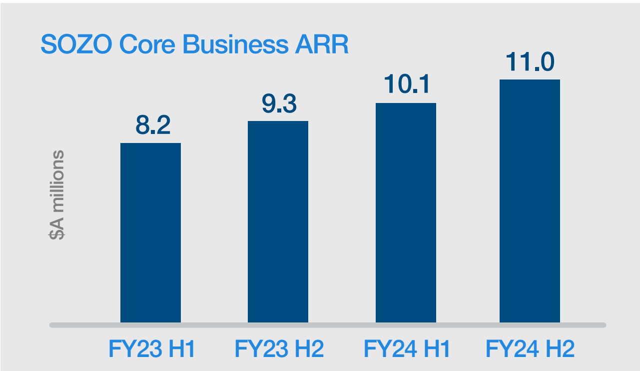
Revenue in North America was $9.3 million, an increase of $1.0 million or 12% compared with FY23.

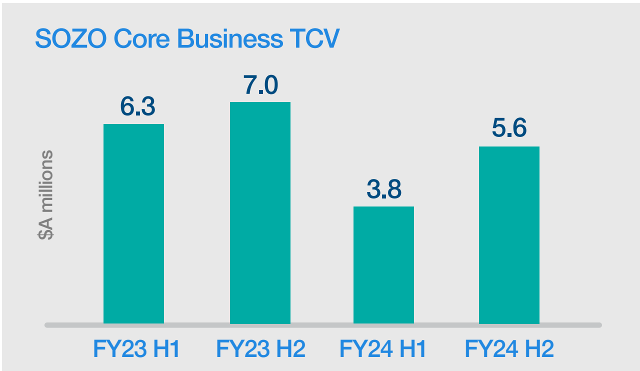




SOZO Core Business Annual Recurring Revenue (ARR[3]) on contracts was $11.0 million at 30 June 2024, compared with $9.3 million at 30 June 2023. Churn rate[4] <3%.

SOZO Core Business Total Contract Value (TCV[5]) signed in FY24 was $9.4 million, compared with $13.3 million signed in FY23. TCV signed in H2 FY24 was up $1.8 million or 47% compared with H1 FY24.





1. Constant currency removes the impact of foreign exchange rate movements to facilitate comparability of operational performance. This is done by converting the current year revenue of entities that use currencies other than Australian dollars at the average rates that were applicable in the prior year. The average exchange rate used for the Company's major foreign currency (USD) for the year was 0.6553 (2023: 0.6729).
2. SOZO Core Business represents revenue from SOZO contracts in the Oncology/Lymphoedema market and excludes SOZO Clinical Business and legacy device/other revenues.
3. Annual Recurring Revenue (ARR) represents the amount of revenue reasonably expected to be recognised for the next 12-month period based on existing contracts, assuming installation upon sale and no churn. The exchange rate used for ARR calculation was 0.66699 (2023: 0.66387).
4. Based on SOZO units globally. [Number of units cancelled or not renewed in the period] / [Average cumulative unit placements in the period].
5. SOZO Core Business Total Contracted Value (TCV) includes any consideration for the sale of SOZO units as well as the total licence fees for the duration of the signed contracts. Typically, these contracts are for a period of three years.

Operating and financial review

Other financial results

Gross margin

Gross profit margin was 87% for the year, compared with 86% in FY23.

Finance and other income

Total finance income for the year was $1.5 million, an increase of $0.7 million compared with FY23 driven by higher interest income. Total other income for the year was $2.8 million, an increase of $1.2 million compared with FY23 driven by a non-recurring U.S. Government grant of $1.9 million offset by a lower Australian R&D tax incentive credit of $0.7 million due to lower R&D expenditure.

Operating expenses

Total operating expenses for the year were $33.0 million, an increase of $0.3 million compared with FY23 operating expenses of $32.7 million.

Salaries and benefits in FY24 were $21.5 million, an increase of $1.3 million compared with the salaries and benefits expense in FY23 of $20.2 million. Salaries and benefits in FY24 comprise 65% of total operating expenses and include $2.1 million related to severance payments. In FY23 salaries and benefits included $2.8 million in termination payments. Share-based payments was a credit of $0.7 million, $1.4 million lower than the expense of $0.8 million in FY23 driven by forfeitures related to former employees.

Administration and governance expenses were $3.2 million for the year, an increase of $0.5 million, mainly driven by costs associated with the general meeting of shareholders held in September 2023.

Operating result

Net loss from continuing operations was $19.8 million in FY24, compared with $20.5m in FY23. The decreased loss was driven by higher finance and grant income and lower share-based payments, partially offset by lower gross profit following the completion of AstraZeneca clinical trials, and higher salaries and benefits expense.

Cash

Cash and cash equivalents were $24.6 million at 30 June 2024 compared with $45.7 million at 30 June 2023.

Net cash used in operating activities during FY24 was $17.8 million compared with $18.0 million in the prior year. The net cash used in operating activities in the period includes receipts from government grants/tax incentives of $3.4 million compared with $1.7 million in FY23, and interest received of $1.6 million compared with $0.7 million in the prior year. Net cash flows used in investing activities during FY24 was $3.1 million compared with $6.0 million in FY23. The decrease is primarily related to lower expenditure on the development of SOZO Pro, as this work nears completion.

FY25 cash expenditure is forecast to be 10% lower compared with FY24 (after allowing for one-off costs and other normalization adjustments) mainly as the net result of adjustments to headcount, salaries and investment in customer facing roles.

Environmental, Social and Governance

CEO Statement

ImpediMed's mission is to improve patient outcomes by setting new standards of care in fluid and body composition management.

ImpediMed is committed to a sustainable future and recognises that to achieve its mission we must understand and minimise our environmental impacts; meet our social responsibilities to our employees, customers and the broader community; and maintain high standards of corporate governance.

We are focused on the health and well-being of patients, with our vision to revolutionise patient care with innovative fluid and body composition analytics, enhancing health outcomes through validated, guideline-supported platform technology. Our technology provides clinically relevant insights that hospitals and providers around the world are using to gain a deep understanding of the human body. As our technology becomes the standard of care in oncology care, we believe the positive impact it will have on healthcare and on patients' lives will be transformational. Over the last 3 years the number of patients tested using the SOZO platform technology has increased 24% each year. Since the SOZO was introduced, over 900,000 patient tests have been completed with 250,000 patient tests completed in FY24.

ImpediMed is in the early stages of its ESG journey, and as the business evolves, we will continue to develop our ESG framework and disclosures. Further, as we continue to develop our strategic goals, we will ensure they are aligned with ESG principles, while staying true to our commitment to creating long-term value for our stakeholders, including our employees, our patients and our shareholders.

Diversity is a cornerstone of our strength. ImpediMed's Board and Executive Leadership team includes individuals from a wide array of backgrounds, experiences, and perspectives. Our Board comprises 67% female and 33% male Directors, and the Executive Leadership team comprises 44% females and 56% males. This diversity enables us to better understand and address the needs of the global markets we serve.

The new Board, established in September last year, is committed to strong corporate governance with 3 Non-executive Independent Directors. Since September the composition of the Board has evolved, most recently with the appointment of Ms Fiona Bones, who also Chairs the Audit and Risk Management Committee. With her experience as Vice President of Finance, International Controller at Google Fiona brings a wealth of global experience in finance, corporate governance and systems information. Andrew Grant's executive appointment will end in October 2024, and he will then resume his role as a Non-executive Director, increasing the number of Non-Executive Directors to 4, with 2 Executive Directors.

Dr Parmjot Bains
Managing Director and CEO

Environmental, Social and Governance

At ImpediMed, our commitment to Environmental, Social, and Governance (ESG) principles is integral to our operations and corporate culture. We continue to refine our ESG journey, and integrate Environmental, Social, and Governance (ESG) principles into our operations and culture. Over the next 12 months, we are committed to making meaningful progress in alignment with leading ESG frameworks and addressing the factors most material to our business.

Environmental

We are dedicated to minimising our environmental footprint through sustainable practices, including reducing waste, optimizing energy usage, and ensuring responsible sourcing of materials. Our commitment in the environmental space begins with working with our contract manufacturers and largest suppliers to ensure these partners have robust policies in place, as well as our focus on end-of-life recycling on equipment and parts. All of our end-of-life parts and scrap are disposed of through certified methods. We continue to review our processes and our manufacturing and supply chains to identify risks and opportunities for our business to have a positive impact on the environment through energy and waste reduction.

Social

We are committed to fostering a positive social impact by promoting diversity and inclusion within our workforce, supporting community initiatives, and are continuing to ensure equitable access to our life-enhancing technology platform. These efforts underscore our mission to drive meaningful progress while upholding our values and responsibilities to all stakeholders.

ImpediMed is commited to advancing women in the workplace. Women represent 47% of our workforce and FY24 saw an increase in women across all areas of the business. In line with the ASX Principles and Recommendations (4th edition), the following tables highlight the proportion of women and men on the Board, in the Executive Leadership team and across the entire organisation as of 30 June 2024 and 30 June 2023.

	2024					2023				
Employee Category	Female	%	Male	%	Total	Female	%	Male	%	Total
Non-executive Directors	3	100%	0	0%	3	1	20%	4	80%	5[3]
Executive team[1]	4	44%	5	56%	9	2	33%	4	67%	6
Company-wide[2]	39	47%	44	53%	83	37	49%	39	51%	76

Governance

The Board of Directors of ImpediMed is committed to high standards of corporate governance. The Board regularly reviews the policies and practices applied by the Group to ensure they meet the interests of shareholders and other key stakeholders, both for the present and as the Group grows in operational complexity.

Our governance framework emphasises transparency, ethical conduct, and robust risk management, with a diverse and experienced Board overseeing our adherence to high standards of corporate integrity and accountability. Since the Board changes during the year, the skills on the Board have been strengthened with the recent appointment of Fiona Bones. Andrew Grant will resume his role as a Non-executive Director in October 2024.

Each year ImpediMed describes its corporate governance framework and its adherence to the ASX Corporate Governance Principles and Recommendations (4th Edition), in its Corporate Governance Statement, which is available in the Investor section on ImpediMed's website. Additionally, the Board and management are committed to continuing to review the Company's corporate governance practices in response to changes in market conditions or recognised best practices.

1. Including Executive Directors
2. Excluding Non-executive Directors
3. Including 2 Non-executive Directors who were appointed on 1 July 2023

Board of Directors

Christine Emmanuel-Donnelly

Non-Executive Chair

- Appointed Director 28 September 2023.
- 30 years in IP expertise through commercialisation and strategic in-house intellectual property roles.
- 4+ years in Board/healthcare governance experience.

Parmjot Bains

Managing Director & CEO

- Appointed Interim CEO/MD 8 January 2024 and on an ongoing basis on 22 July 2024.
- Medical doctor with 30+ years' diverse healthcare experience including Pfizer and McKinsey across the United States, Asia, Middle East and Australia.
- 6 years Board/governance experience.

McGregor Grant

Chief Financial & Operating Officer/Executive Director

- Appointed Director 28 September 2023 and Interim CFO in November 2023 and on an ongoing basis on 22 July 2024.
- Broad commercial and financial experience in growing successful global medical device businesses, most recently Nanosonics Limited.
- Board administration, governance and investor relations experience.

Janelle Delaney

Non-Executive Director

- Appointed Director 28 September 2023.
- 30 years of project management and execution at IBM, with responsibility for the quality of delivery across Asia Pacific's portfolio of several thousand projects.

Fiona Bones

Non-Executive Director

- Appointed Director 7 June 2024.
- 30+ years global experience in finance, corporate governance and systems transformation.
- Extensive global governance gained as Vice President of Finance, International Controller of Google for 20 years.

Andrew Grant

Executive Director, VP Product Development & Customer Solutions

- Appointed Director 28 September 2023 and to Interim Executive role in April 2024.
- 20+ years gaining deep understanding and experience working with key US customers and across global healthcare markets.
- Strategic planning experience and delivery in healthcare working with leading healthcare organisations globally, including McKinsey and ResMed.

Executives

Parmjot Bains

Managing Director & CEO

- Appointed Interim CEO/MD 8 January 2024 and on an ongoing basis on 22 July 2024.
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- Broad commercial and financial experience in growing successful global medical device businesses, most recently Nanosonics Limited.
- Board administration, governance and investor relations experience.

Steven Chen

Chief Medical Officer

- Appointed in September 2023.
- Nationally recognised surgical oncologist/breast surgeon.
- 10+ years' industry experience in oncology drug and device product development.
- Most recently Chief Medical Officer of Avelas Biosciences.
- Over 70 peer reviewed publications.

Tim Benkovic

SVP Sales & Customer Success

- Appointed in April 2024.
- 30+ years' experience in the medical device, SaaS, and distribution industries with a proven history of building top performing sales teams, streamlining sales operations, and utilising data-driven analytics, at leading organisations such as Nanosonics, Hillrom and Fresenius Medical Care.

Andrew Grant

Executive Director, VP Product Development & Customer Solutions

- Appointed Director 28 September 2023 and to Interim Executive role in April 2024.
- 20+ years gaining deep understanding and experience working with key US customers and across global healthcare markets.
- Strategic planning experience and delivery in healthcare working with leading healthcare organisations globally, including McKinsey and ResMed.

Dennis Schlaht

SVP R&D and Technology

- Appointed in October 2007.
- 40+ years' experience leading world-class global product development, including 20+ years in medical device development. Broad experience in R&D leadership and global technology implementations including Lockheed Martin, Insight Electronics, and XiTRON Technologies.

Julie Kuhlken

Senior Director, Downstream Marketing

- Appointed in September 2023.
- 25+ years' experience in marketing, leadership and consulting in the medical technology industry with strong background in developing and commercialising healthcare solutions to improve patient care, within start-up as well as large organisations including Kimberly-Clark and Becton Dickinson.

Ashley Munoz

Director, Human Resources

- Appointed Director in July 2024.
- 8 years of experience across diverse HR functions including performance management, employee relations, organisational design, talent acquisition, learning & development, onboarding, benefits, compensation, project management, and HRIS implementations in the medical device, environmental and engineering industries.

Directors' report

Your Directors submit their report together with the consolidated interim financial report for ImpediMed Limited (the Company) and its subsidiaries (together the Group) for the year ended 30 June 2024, and the Auditor's report thereon.

Principal activities

ImpediMed is a medical technology company that non-invasively measures, monitors and manages fluid status and tissue composition data using bioimpedance spectroscopy (BIS).

The principal activities of the Group during the period were the development, manufacture and sale of BIS systems and software services with a focus on the early detection of lymphoedema.

ImpediMed products are FDA-cleared and CE Marked and include SOZO® for multiple indications including lymphoedema, body composition, heart failure and protein calorie malnutrition. ImpediMed's systems are sold in select markets globally.

Review of results and operations

A review of operations and financial position of the Group and its business strategies and prospects is set out in the Operating and Financial Review on pages 8 to 11 of this Annual Report.

Material business risks

ImpediMed has implemented a risk management framework to identify, assess and appropriately manage risks. Details of the risk management framework are set out in the 2024 Corporate Governance Statement, which is available on the Company's website. ImpediMed's material business risks and how they are addressed are outlined below. These are risks that may materially adversely affect the Group's business strategy, financial position or future performance. It is not possible to identify every risk that could affect the Group's business, and the actions taken to mitigate these risks cannot provide absolute assurance that risk will not materialise. Other risks besides those detailed below or in the financial statements could also adversely affect ImpediMed's business and operations. Accordingly, the material business risks below should not be considered an exhaustive list of potential risks that may affect ImpediMed.

Risk	Description and potential consequences	Strategies used to mitigate the risk
Adoption of the Group's technology	Rate of adoption of SOZO for breast cancer related lymphoedema is too slow to enable the Company to achieve its short-term- financial objectives.	Implementation of lead generation activities and sales execution: - Increased focus on major health systems (Integrated Delivery Networks and Academic Medical Centers). - Strengthening analytics capabilities to demonstrate value of the technology. - Demonstrate cost/benefit and health economics benefit to health systems focused on value-based care. ImpediMed has an in-house reimbursement team dedicated to supporting new and existing customers, manage their claims and is actively engaged with medical societies and medical policy committees.
Intellectual property	The Company relies heavily on its ability to maintain and protect its intellectual property (IP), including registered and unregistered IP. ImpediMed recognises the potential risk of litigation for alleged infringement by ImpediMed, the need to prosecute third party infringers of ImpediMed's IP, the expiry of ImpediMed's registered IP, and the risk of being unable to register the underlying subject matter or processes in any new products.	ImpediMed seeks appropriate patent, design and trademark protection and manages any identified IP risks. ImpediMed recognises the significant value in unregistered IP and works closely with specialists and advisors internationally to monitor and manage its IP portfolio, opportunities and risks.

Directors' report

Risk	Description and potential consequences	Strategies used to mitigate the risk
Competition	The potential for increased competition exposes ImpediMed to the risk of losing existing and new market share. With increasing levels of reimbursement coverage in the US, ImpediMed becomes further exposed to the risk of medical and technological advancement by competitors where alternative products or methods are developed, including Bioimpedance Spectroscopy (BIS), and commercialised that may impact the rate of adoption of SOZO.	The Company is focused on increasing market penetration with its unique technology and sales execution efforts. In addition, the Company had initiated an R&D strategic planning review to develop advancements in the use of BIS technology and data analytics.
Cyber security	ImpediMed recognises the risks associated with cyber security and the potential impact on the Company's operations. A cyber security incident could lead to a breach of privacy, loss of and/or corruption of commercially sensitive data, and/or a disruption of critical business processes. This may adversely impact customers and the Company's business activities and cause significant reputational damage.	ImpediMed is HITRUST compliant and will maintain its certification through regular external audits. Annual penetration testing to simulate attacks on the Company's computer systems, including the SOZO digital health platform and identify vulnerabilities. The Company has initiated internal and external reviews of its cyber security posture with reference to the Australian Signals Directorate Essential Eight mitigation strategies.
Regulation	The Group operates in a highly regulated industry. Medical devices are subject to strict regulations of various regulatory bodies where the products are sold. Regulatory bodies perform regular audits of ImpediMed's operations and failure to satisfy regulatory requirements presents significant risks, including potentially compromising the Company's ability to sell products and/ or result in an adverse event such as a product recall.	The Group has a highly developed Quality Management System to manage this risk and invests in suitably qualified personnel to oversee the implementation of that system. ImpediMed monitors the changing regulatory landscape in the markets in which it operates and ensures that it adjusts to changes which apply to it. The business is also subject to annual regulatory audits by the relevant regulators.
Research & Development	ImpediMed's platform technology is currently directed towards primarily addressing secondary lymphoedema, with a particular focus on breast cancer-related lymphoedema. The Company recognises the need to expand its product portfolio by creating new applications of its technology. Development and subsequent commercialisation of any new product requires a significant amount of investment. Further, all research and new product development programs involve inherent risks and uncertainties which can impact commercialisation timelines. New products are also likely to require a range of regulatory approvals and significant investment in the relevant commercial launch plans.	The Company is currently focused on identifying new product and data & analytics opportunities. ImpediMed engages with its customers and a range of experts in relevant fields to determine the focus of its new product roadmap. The Company has initiated an R&D strategic planning review to develop advancements in the use of BIS technology and data analytics. The Company follows a defined framework to support the product development processes covering product ideation, development and subsequent commercialisation and has made the identification of additional BIS technologies a strategic priority.
Personnel	The Company recognises that providing a safe and rewarding working environment is critical to its sustainability. The Company operates in a competitive market in relation to attracting, recruiting and retaining key talent. There is also a risk that increased competition for talent may impact talent retention.	ImpediMed has programs in place to ensure understanding of and compliance with WHS obligations. The Company has a clearly defined remuneration framework which supports the attraction, recruitment and retention of talent and reviews its programs for attracting, recruiting and retaining talent in the current environment.
Working capital	Unable to generate or raise sufficient working capital to operate the business.	Following inclusion in the key clinical guidelines and expanding coverage by payers, ImpediMed is focused on growing sales and cashflow. In addition, the Company has taken actions to reduce cash expenditure. The Company closely monitors its working capital position and requirements against its Annual Operating Plan and current performance.

Directors' report

Risk	Description and potential consequences	Strategies used to mitigate the risk
Foreign exchange	The Group is exposed to foreign currency risk particularly USD/AUD exchange rates and credit risk in light of the international nature of its operations.	The management of these risks is guided by the Group's risk management policy. The Company seeks external advice, as appropriate.
Product liability	The Company recognises the risk that its products (or their use) may cause damage to a third party given the nature of the product and the industry the Company operates in.	The Group operates a compliant Quality Management System across all aspects of the design, manufacture and release of products to market. The Group also maintains appropriate product liability insurance.

Significant changes in the state of affairs

In the opinion of the Directors, other than the matters described above and in the Operating and Financial Review on pages 8 to 11 of this Annual Report, there were no significant changes in the state of affairs of the Group during the financial year and to the date of this report.

Dividends

No dividends were proposed, declared, or paid during the financial year (2023: Nil).

Matters subsequent to the end of the financial year

Following the appointment of the CEO and CF&OO on an ongoing basis, on 28 August 2024, shareholders approved an award of Options and Performance Rights. Details of the award are set out in the Remuneration Report on page 26.

No other matters or circumstances have arisen since 30 June 2024 that have significantly affected, or may significantly affect:

a. The Group's operations in future financial years;
b. The results of those operations in future financial years; and
c. The Group's state of affairs in future financial years.

Likely developments and expected results of operations

Comments on expected results of the operations of the Group and business outlook are included in the Operating and Financial Review on pages 8 to 11 of this Annual Report.

Further information on likely developments in the operations of the Group and the expected results of operations have not been included in this Annual Report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Directors

During the year and to the date of this report, the Board of ImpediMed Limited comprised Christine Emmanuel-Donnelly, Janelle Delaney, Andrew Grant, Fiona Bones, Parmjot Bains and McGregor Grant.

Following a vote of shareholders at a General Meeting held on 28 September 2023, Donald Williams, Amit Patel, David Anderson and Daniel Sharp ceased as Directors. Subsequently, on 2 October 2023, Janet West resigned as a Non-Executive Director and, on 20 November 2023, Dr Michael Seiden also resigned as Non-Executive Director. On 20 November 2023 Rick Valencia stepped down from his role as Managing Director and CEO.

Information on the Directors and the Executive Team is a part of the Directors' report and can be found on pages 15 and 16 of this Annual Report.

As at the date of this report, ImpediMed Limited has the following committees of the Board: Audit and Risk Management, Remuneration and Nomination. Details of members of the committees of the Board are included below and in the Remuneration Report at page 24.

Directors' report

Company Secretary

The Company Secretarial function is responsible for ensuring that the Company complies with its statutory duties and maintains proper documentation, registers and records. It also provides advice to directors and officers about corporate governance and gives practical effect to any decisions made by the Board.

Leanne Ralph is the Company Secretary and was appointed to the position in January 2015. Leanne has over 15 years of experience in company secretarial roles and holds this position for a number of ASX-listed entities. Leanne is a Fellow of the Governance Institute of Australia and a Graduate Member of the Australian Institute of Company Directors.

Meetings of Directors

The number of Directors' meetings, including meetings of the Committees, held during the year ended 30 June 2024, and numbers of meetings attended by each of the Directors were as follows:

Directors	Board Meetings		Remuneration Committee		Audit and Risk Management Committee		Nomination Committee	
	Meetings eligible to attend	Meetings Attended	Meetings eligible to attend	Meetings Attended	Meetings eligible to attend	Meetings Attended	Meetings eligible to attend	Meetings Attended
Amit Patel	13	11	4	4	3	3	-	-
Don Williams	13	13	-	-	-	-	-	-
David Anderson	13	12	4	4	-	-	-	-
Rick Valencia	15	15	-	-	-	-	-	-
Janet West	13	13	-	-	-	-	-	-
Dr Michael Seiden	15	14	4	4	3	3	-	-
Danny Sharp	13	13	-	-	3	3	-	-
McGregor Grant	10	10	2[1]	2[1]	3[1]	3[1]	1[1]	1[1]
Andrew Grant	10	9	2	2	3	3	1	-
Christine Emmanuel-Donnelly	10	10	2	2	3	3	1	1
Janelle Delaney	10	10	2	2	3	3	1	1
Dr Parmjot Bains	6	6	2[1]	2[1]	3[1]	3[1]	1[1]	1[1]
Fiona Bones	1	1	-	-	-	-	1	1

1. Attended in part or full in ex-officio capacity.

Share-based payments

Shares issued and performance rights and options granted under the share-based compensation plans during the year are detailed below.

Shares issued

During the year ended 30 June 2024, the Company issued a total of 5,125,743 (2023: 240,000,940) new ordinary shares in ImpediMed Limited of which 2,583,079 shares were issued under the Employee Incentive Plan at an average price of $0.02 per share, 1,510,896 shares were issued under the Employee Share Plan at an average price of $0.17 per share and 1,031,768 shares were issued under the Non-Executive Director Share Plan at an average price of $0.17 per share. No amount was unpaid on any of the shares issued.

Directors' report

As at 30 June 2024, there were 2,023,093,918 (2023: 2,017,968,175) ordinary shares in ImpediMed Limited on issue. Since 30 June 2024, there were no further shares issued. Further information on issued shares is provided in the Share-based payments Note 4.3 and Capital and reserves Note 9 to the financial statements.

Share options granted

During the year ended 30 June 2024, the Company granted 10,175,000 (2023: 37,675,000) share options to employees.

Shares under option

At 30 June 2024, shares under options totaled 50,063,476 (2023: 66,865,222).

Indemnifying officers or auditor

During the financial year, the Company paid insurance premiums to insure the Directors and Secretary and Executive Officers of the Company and its controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a willful breach of duty by the officers or the improper use by the officers of their positions or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

The Directors have not included in this report the amount of the premium paid in respect of the insurance policy, as such disclosure is prohibited under the terms of the contract.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act.

Rounding

The amounts contained in this report and in the financial statements have been rounded to the nearest $1,000 (where rounding is applicable) and where noted ($'000) under the option available to the Company under ASIC Instrument 2016/191. The Company is an entity to which that instrument applies.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board of Directors has considered the position and, in accordance with advice received from the Audit and Risk Committee, is satisfied that the provision of the non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act for the following reasons:

Directors' report

a. All non-audit services have been reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
b. None of the services undermines the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate of the Company or jointly sharing risks and rewards.

During the year, the auditor of the Group, Ernst & Young, did not provide other services in addition to its statutory duties. These activities were conducted in accordance with the Company's Auditor Independence Policy, and in the Company's view did not compromise their independence.

Details of amounts paid or payable to the auditor of the Group in relation to audit and non-audit services are disclosed in Note 10.4 to the financial statements.

Officers of the Company who are former audit partners of Ernst & Young

There are no officers of the Company who are former audit partners of Ernst & Young.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included on page 38 of this report.

Auditor

Ernst & Young was appointed auditor in 2009 and continues in office as auditor in accordance with section 327 of the Corporations Act.

Corporate Governance

The Company's Corporate Governance Statement and the ASX Appendix 4G are released to ASX on the same day the Annual Report is released. The Corporate Governance Statement and Corporate Governance policies can be found on the Company's website at https://www.impedimed.com/about/investors/corporate-governance/.

Remuneration Report

The Remuneration Report forms part of the Directors' Report.

This report, which includes the Operating and Financial Review (on pages 8 to 11), the Information on the Board and the Executive Team (on pages 14 and 15), and the Remuneration Report (on pages 22 to 36), is made on 29 August 2024 and signed in accordance with a resolution of Directors, pursuant to section 298(2) of the Corporations Act.

This report is made and signed in accordance with a resolution of the Directors pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

Fiona Bones
Director, Sydney

29 August 2024

Remuneration report

Letter from the Chair of the Remuneration Committee

On behalf of the Board of Directors, I am pleased to present the remuneration report for the year ended 30 June 2024.

Board and management changes during the year

Following a vote at a General Meeting of Shareholders on 28 September 2023, four Non-executive Directors (Donald Williams, Amit Patel, David Anderson and Daniel Sharp) were removed, and four new Non-executive Directors (McGregor Grant, Christine Emmanuel-Donnelly, Andrew Grant and Janelle Delaney) were appointed. On 2 October 2023 McGregor Grant was appointed as Chair and Janet West resigned as a Non-executive Director.

On 20 November 2023:

- Managing Director and CEO, Rick Valencia and CFO, Tim Cruickshank stepped down;
- McGregor Grant was appointed CFO, initially on an interim basis, continuing as Executive Chair;
- Dr Parmjot Bains was appointed as Managing Director and CEO (CEO), initially on an interim basis, commencing in that role on 8 January 2024; and
- Dr Michael Seiden resigned as Non-executive Director.

On 26 February 2024 Christine Emmanuel-Donnelly was appointed as Chair. McGregor Grant continues on the Board as an Executive Director.

On 17 April 2024 the Chief Operating Officer role was made redundant, and Andrew Grant was appointed Vice President of Product Development and Customer Solutions in an interim capacity. Andrew Grant's appointment is expected to end in October 2024. During this time Andrew Grant continues on the Board as an Executive Director. At the same time, McGregor Grant was appointed interim Chief Financial & Operating Officer (CF&OO).

On 7 June 2024, Fiona Bones was appointed as a Non-executive director. On 19 June 2024, Ms Bones was appointed as Chair of the Audit and Risk Committee.

Effective 1 July 2024, Dr Parmjot Bains and McGregor Grant were appointed as Managing Director and CEO and CF&OO, respectively, on an ongoing basis.

FY24 remuneration outcomes

As a result of the Board and management changes during the year, no STI was paid to former Executive KMP and no STI opportunity was made available to current Executive KMP. No KMP LTI awards vested during the year.

All unvested equity awarded to former Executive KMP was lapsed. Any vested equity awarded to former KMP remains available to be exercised in accordance with the terms of each award and the terms of the Employee Incentive Plan rules.

Non-executive Directors (NED) fees were unchanged during FY24.

Looking forward to FY25

Following the appointment of the CEO and CF&OO on an ongoing basis, on 28 August 2024, shareholders approved an award of Options and Performance Rights which are intended to be motivating during a challenging period for the Company and align overall potential remuneration with the experience of the Company's shareholders. The Board considered the combination of Performance Rights and Options to be an appropriate mix to achieve these outcomes. The terms of these awards are summarised in Section 3 of this Report.

Historically, the Company has made performance awards under various STI and LTI programs. For FY25 the Board has determined the Company's STI and LTI programs will be replaced with a single Transformation Incentive with payment subject to the achievement of key financial metrics (Gate) and the achievement of specific individual objectives for the overall performance of each individual. To the extent the Transformation Incentive is awarded, it will be paid out as to 1/3rd in cash, and 2/3rds in equity vesting over three years. It is expected the Transformation Incentive structure will remain in place until the Company achieves cashflow break even. Importantly, after

Remuneration report

considering the overall circumstances of the business, the Board is mindful of the need to ensure that any payout under the Transformation Incentive fairly reflects the performance of management as well as the overall results of the business. The structure of the Transformation Incentive is provided in Section 3 of this Report.

No change to Non-executive Directors fees is proposed for FY25. However, effective 1 July 2024, Non-executive Director fees will be paid 70% in cash and 30% in equity, awarded following the end of each quarter.

We value your ongoing feedback and will continue to regularly engage with and provide updates to our shareholders about our remuneration policies and objectives.

Christine Emmanuel-Donnelly
Chair, Remuneration Committee

29 August 2024

Remuneration report

The Remuneration Report for the year ended 30 June 2024 (2024 Financial Year or FY24) forms part of the Directors' Report. It has been prepared in accordance with the Corporations Act 2001 (Cth) (the Act), Corporations Regulation 2M.3.03., and audited as required by section 308(3C) of the Act. It also includes additional information and disclosures that are intended to support a deeper understanding of remuneration governance and practices, where statutory requirements are not sufficient.

The report is structured into the following sections:
1. Key Management Personnel
2. Remuneration principles and framework
3. Company performance and remuneration outcomes
4. Non-executive Director remuneration
5. Statutory tables and disclosures
6. Remuneration governance

1. Key Management Personnel

This report covers Key Management Personnel (KMP) who are defined as those who have the authority and responsibility for planning, directing and controlling the activities of Impedimed.

			Committee Membership		
Name	**Role**	**Appointed**	**Nomination**	**Audit and Risk**	**Remuneration**
Non-executive					
Christine Emanuel-Donnelly	Chair, Independent Director	28 September 2023 Chair: 26 February 2024	C	M	C
Janelle Delaney	Independent Director	28 September 2023	M	M[1]	M
Fiona Bones	Independent Director	7 June 2024	M	C[1]	
Executive					
Parmjot Bains	Managing Director and Chief Executive Officer (CEO)	8 January 2024			
McGregor Grant	Executive Director and Chief Financial & Operating Officer (CF&OO)	28 September 2023[2]			
Andrew Grant	Executive Director	28 September 2023	M	M[1]	M
Former Non-executive		**Ceased**			
Donald Williams	Chair, Independent Director	28 September 2023			
David Anderson	Independent Director	28 September 2023			
Amit Patel	Independent Director	28 September 2023			
Daniel Sharp	Independent Director	28 September 2023			
Jan West	Independent Director	2 October 2023			
Michael Seiden	Independent Director	17 November 2023			
Former Executive					
Rick Valencia	Managing Director and Chief Executive Officer	20 November 2023			
Timothy Cruickshank	Chief Financial Officer	20 November 2023			
Shashi Tripathi	Chief Operating Officer	17 April 2024			

M = Member C = Chair

1 Mr A Grant was Chair of the Audit and Risk Management Committee from 20 November 2023 to 17 April 2024. Ms Delaney was Chair of the Audit and Risk Management Committee from 17 April 2024 to 19 June 2024. Ms Bones was appointed Chair of the Audit and Risk Management Committee on 19 June 2024.
2 Mr M Grant was Chair of the Board from 2 October 2023 to 26 February 2024 and was Chair of the Audit and Risk Management Committee from 2 October 2023 to 20 November 2023.

2. Remuneration principles and framework

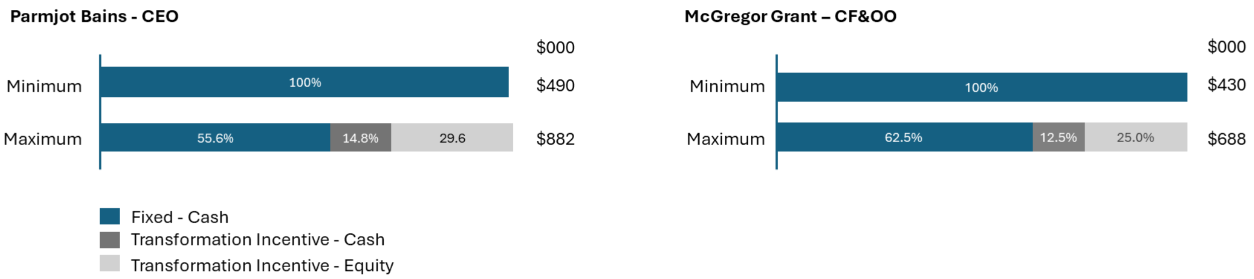
ImpediMed's remuneration framework is designed to support the Company's strategy and reward executives for successful implementation. The remuneration framework is designed to attract, motivate and retain talent to enable the Company to deliver on the growth strategy of the core business and to develop and implement a long-term strategy. An overview of the remuneration framework for FY24 is set out below.

Remuneration Principles		
Provide an appropriate balance of fixed and variable components	Reward outcomes that drive performance and behaviours	Create shareholder value through equity alignment
Components of Total Remuneration		
Fixed	**Variable and at risk**	
Total Fixed Remuneration (TFR) TFR is based on relevant market relativities, responsibilities, performance, qualifications, experience and location.	**Short-term Incentive (STI)** STI performance criteria are set by reference to Company and individual performance targets relevant to the position.	**Long-term Incentive (LTI)** LTI targets are linked to long-term sustainable performance and shareholder value creation.
Delivery		
Base salary[1], retirement, superannuation, employee health benefits and any salary sacrificed benefits.	Part cash and part equity. The equity component is deferred to facilitate malus, and to create shareholder alignment.	Equity is awarded with vesting subject to performance and service conditions.
Strategic intent and positioning		
TFR is determined having regard to a range of factors including market data, experience, responsibilities and performance in the roles.	STI performance requirements are focused on achieving annual objectives that will underpin the growth strategy.	LTI is designed to focus Executive KMP on the longer-term strategy of the business and vested LTI aligns their interests with those of the Company and its shareholders.
TFR, and STI / LTI opportunities are benchmarked to ensure total remuneration is positioned competitively when on-target outcomes and performance is met		

2.1 Remuneration mix

The remuneration mix for each Executive KMP provides an appropriate balance between fixed and variable, at-risk remuneration to ensure focus on short, medium and longer-term performance. The Board considers this structure aligns Executive KMP remuneration with shareholders' interests and expectations.

The remuneration mix for the CEO and CF&OO for FY24 was 100% as fixed remuneration while the two executives were performing services in an interim capacity prior to their formal appointment. The following diagrams show the expected remuneration mix for the CEO and CF&OO in FY25[2].



1 In the years ended 30 June 2024 and 2023, the MD/CEO and other Executives were given the option to receive a portion of base salary in equity in lieu of cash.
2 The once-off sign-on grant values are not reflected in the figures and details of the Transformation Incentive are provided in Section 2.5, below.

Remuneration report

2.2 Total Fixed Remuneration (TFR)

TFR comprises base salary plus any fixed elements relating to local markets, including superannuation or equivalent. In addition to base salary, executives may receive benefits in line with local practice, such as health insurance and a car allowance. TFR for Executive KMP is benchmarked for market competitiveness and adjustments may be made in response to individual performance, an increase in job responsibilities, changing market conditions or promotion.

2.3 Short-term Incentive

As a result of the Board and management changes during FY24, no STI was paid to former Executive KMP and no STI opportunity was made available to current Executive KMP.

2.4 Long-term Incentive

As a result of the Board and management changes during FY24, no LTI was paid to former Executive KMP and no LTI opportunity was made available to current Executive KMP.

The Board is not granting an LTI to the Executive KMP for FY25 but is providing a Sign-on Award as described in section 2.6.

2.5 Transformation Incentive

For FY25, the Board has determined that the Executive KMP will be invited to participate in a Transformation Incentive (TI) program. The TI program will be subject to the achievement of key financial metrics (Gate), the achievement of specific individual objectives and the overall performance of each Executive in FY25.

		% Base salary
Opportunity	The TI opportunity for each Executive KMP is:	Maximum
	CEO	80%
	CF&OO	60%
Performance measures	**Financial (Gate)** - Total Contract Value - Revenue - Operating Income In addition, the Company will need to be demonstrating progress towards achieving cashflow break-even. **Individual** Individual Objectives as set and approved by the Board and the overall performance of each Executive.	
Weighting	Financial: 60% Individual: 40%	
Payment	The payment of the TI will be 1/3rd in cash following FY25 results release and 2/3rds in Share Rights, vesting equally over three years.	
Allocation method	The number of SRs is calculated by dividing the TI outcome for the year by the 10-day Volume Weighted Average Price (VWAP) of ImpediMed's shares based on the 5 days before and 5 days following the release of the FY25 financial statements.	
Performance period	The performance measures will be tested following the finalisation of audited financial results for FY25.	

2.6 Sign-on award

On 28 August 2024 shareholders approved an award of Options and Performance Rights to the CEO and CF&OO. Details of the award are set out below.

Remuneration report

Options

Opportunity	The number of Options to be awarded:	
	CEO	8,500,000
	CF&OO	6,500,000
Issue Price	The Options will be issued for nil consideration.	
Exercise Price	The Options have an Exercise Price of $0.07.	
Term	The Options will have a term ending 7 years from the grant date (Last Exercise Date).	
Vesting Start Date	1 July 2024	
Vesting Conditions	The Options will vest over a four-year period with 25% of the Options vesting on each one-year anniversary of the Vesting Start Date (Vesting Dates).	
Service Condition	In addition to the above Vesting Conditions, the Options will only vest if the Executive remains in continuous employment with the Company from the date of the grant to the respective Vesting Dates.	
Lapse	Subject to any board determination to the contrary, the Options will automatically lapse if the Vesting and Service Conditions are not met, or if the Vesting and Service Conditions are met, the Options will automatically lapse if they are not exercised by the Last Exercise Date.	

Performance rights

Opportunity	The number of Performance Rights to be awarded:	
	CEO	8,500,000
	CF&OO	6,500,000
Issue Price	The Performance Rights will be issued for nil consideration.	
Exercise Price	The Performance Rights have a nil Exercise Price.	
Term	The Performance Rights will have a term ending 7 years from the date of grant (Last Exercise Date).	
Performance Conditions	See below	

Performance Conditions

The Performance Rights will be eligible to vest in two equal tranches, Tranche 1 and Tranche 2.

The Performance Rights are performance tested on the criteria set out in the table below.
For Tranche 1, market capitalisation will be assessed by reference to:
- the 20-trading day VWAP for the period ending on 30 June 2027; and
- the number of listed securities on issue on 30 June 2027.

For Tranche 2, market capitalisation will be assessed by reference to:
- the 20-trading day VWAP for the period ending on 30 June 2028; and
- the number of listed securities on issue on 30 June 2028.

Tranche 1 – 30 June 2027

Outcome	Market Capitalisation $m	% of Tranche 1 vesting
Threshold	504	33%
Target	585	67%
Maximum	691	100%

Linear vesting between Threshold and Maximum

Tranche 2 – 30 June 2028

Outcome	Market Capitalisation $m	% of Tranche 2 vesting
Threshold	698	33%
Target	729	67%
Maximum	760	100%

Linear vesting between Threshold and Maximum

Remuneration report

Performance rights continued

Service Condition	In addition to the above Performance Conditions, the Performance Rights will only vest if the participants remain in continuous employment with the Company from the date of the grant to the respective Vesting Dates.
Vesting Dates	Tranche 1 – 1 July 2027 Tranche 2 – 1 July 2028
Lapse	Subject to any board determination to the contrary, the Performance Rights will automatically lapse if the Performance Conditions are not met, or if the Performance Conditions are met, the Performance Rights will automatically lapse if they are not exercised by the Last Exercise Date. There will be no re-testing.

2.6 Minimum shareholding requirement

The minimum shareholding requirement for Executive KMP is equal to the value of their annual base salary after tax.

The minimum shareholding requirement for NED's is equal to the value of one year's base fee (excluding committee fees) after tax. For the purposes of calculating whether the minimum shareholding has been met, the calculation is based on the share price at the time of purchase and/or vesting.

The minimum holding is expected to be met within four years of appointment or commencement. As at the date of this report.

3. Company performance and remuneration outcomes

3.1 Relationship between performance and Executive KMP variable remuneration

ImpediMed's remuneration framework is aimed at rewarding Executive KMP for the achievement of sustainable business growth and for the creation of shareholder value in the short, medium and long term. The following table shows the Company's quantitative performance between FY20 and FY24 with relevant short-term and long-term remuneration outcomes.

Performance History	FY24	FY23	FY22	FY21	FY20
Financial metrics					
Total Revenue ($000)	**10,319**	11,344	10,566	8,409	5,741
Annual Recurring Revenue – Core Business ($m)	**11.0**	9.3	7.3	6.1	5.2
Total Contract Value – Core Business ($m)	**9.7**	13.1	8.9	12.3	6.8
Cash flow ($000)	**(21,375)**	3,840	19,032	751	(8,780)
Returns					
Share price as at 30 June ($)	**0.071**	0.18	0.061	0.105	0.062
Market Capitalisation at 30 June ($m)	**146**	363	109	157	62
Remuneration outcomes					
Average Executive KMP STI as a % of Target	**0%**	24%	50%	138%	22%
% of LTI that vested during the year	**0%**	33.5%	0%	50%	50%

3.2 FY24 STI outcomes

As a result of the Board and management changes during the year, no STI was paid to former Executive KMP and no STI opportunity was made available to current Executive KMP.

3.3 LTI awards and outcomes in FY24

The outstanding prior year LTI awards to Executive KMP during FY24 are summarised in the table below:

	2018 LTI	2020 LTI	2021 LTI
Equity Instrument	Options	Options	Options
Percentage of grant	50%	50%	50%
Performance measure	N/A	N/A	N/A
Gate measure	N/A	N/A	N/A
Performance period	N/A	N/A	N/A
Grant date	11/15/17	11/11/19	Various
Vesting date	Various	Various	Various
Expiry date	Various	Various	Various
Exercise price	$0.815	$0.15	$0.084 - $0.137
Gate passed	N/A	N/A	N/A
Threshold	N/A	N/A	N/A
Target	N/A	N/A	N/A
Maximum	N/A	N/A	N/A
Performance outcome	N/A	N/A	N/A
Vesting outcome as a percentage of target	100%	100%	100%

3.4 Executive KMP remuneration received during the period

The amounts in this table are different to the statutory disclosures in section 5.1, which are prepared in accordance with the accounting standards and therefore include the accounting value for all unvested deferred STI and LTI awards expensed in the year. The table below is provided voluntarily and represents the value to the Executive KMP of cash paid and vested equity awards (vested value) received during the year.

Name	Year	TFR $	Cash STI $	STI equity vested $	LTI equity vested $	Total remuneration $
Parmjot Bains CEO	**2024**	**216,848**	**-**	**-**	**-**	**216,848**
	2023	-	-	-	-	-
McGregor Grant CF&OO	**2024**	**268,249**	**-**	**-**	**-**	**268,249**
	2023	-	-	-	-	-
Rick Valencia CEO[1]	**2024**	**1,124,588**	**181,516**	**-**	**-**	**1,306,104**
	2023	420,499	-	-	-	420,499
Tim Cruickshank CFO[2]	**2024**	**1,119,958**	**204,140**	**88,110**	**15,939**	**1,428,147**
	2023	590,390	100,010	-	-	690,400
Shashi Tripathi COO[3]	**2024**	**1,003,189**	**157,041**	**111,120**	**14,486**	**1,285,836**
	2023	466,933	101,756	-	-	568,689
Total	**2024**	**3,732,832**	**542,697**	**199,230**	**30,425**	**4,505,184**
	2023	1,477,822	201,766	-	-	1,679,588

[1] Payments to Mr. Valencia Include $830,759 associated with the termination of his employment, including accrued annual leave.
[2] Payments to Mr. Cruickshank include $658,985 associated with the termination of his employment, including accrued annual leave.
[3] Payments to Mr. Tripathi include $475,911 associated with the termination of his employment, including accrued annual leave.

Remuneration report

4. Non-executive Director remuneration

4.1 Principles

Fees for Non-executive Directors are based on the nature of the Directors' work and their responsibilities, taking into account the nature and complexity of the Company and the skills and experience of the Director. In determining the level of fees, survey data on comparable companies is considered. External consultants may be used to source the relevant data and analysis. Non-executive Directors' fees are recommended by the Remuneration Committee and determined by the Board. Shareholders approve the aggregate amount available for the remuneration of Non-executive Directors.

Non-executive Directors' fees are determined within an aggregate Directors' fee pool, approved by shareholders at the annual general meeting (AGM). The maximum aggregate remuneration approved by shareholders in 2015 was $800,000.

For a portion of FY24, the Board used the Non-Executive Director Share Plan to allow equity remuneration in lieu of cash with a mix of 60% equity and 40% cash for NEDs. Those who participated included Don Williams, Dave Anderson, Amit Patel, and Jan West. NED fees for Christine Emanuel-Donnelly, Janelle Delaney, Andrew Grant, and Fiona Bones, Danny Sharp, and Michael Seiden were paid 100% in cash.

4.2 Remuneration elements

The elements of NED remuneration available to be offered as part of a package each year are as follows:

Remuneration element	Details		
Board fees per annum	**Position**	**Board ($)**	**Committee**[1]
	Chair of the Board	198,000[2]	N/A
	Committee Chair	N/A	22,000
	Non-executive Director	90,000	11,000
Superannuation	Superannuation contributions are included in the annual Board fees above and are made in accordance with the compulsory Superannuation Guarantee legislation up to the prescribed contributions limit. Directors with other employers can apply to opt out receiving superannuation contributions, where applicable.		
Equity instruments	NEDs do not receive any performance-related remuneration, options or performance rights.		
Other fees/benefits	NEDs are reimbursed for out-of-pocket expenses that are directly related to Impedimed's business.		

[1] No Committee fees are payable in respect of the Nomination Committee.
[2] The Board Chair does not receive a separate Committee fee.

Remuneration report

5. Statutory tables and disclosures

5.1 Executive KMP remuneration for FY24

The following table outlines the statutory and audited (A-IFRS) remuneration of executives:

		Short-term	Long-term	Post-employment			Variable remuneration							
		Base salary	Other benefits	Super-annuation	TFR		Cash STI		Deferred STI equity compensation		LTI equity compensation		Other	Total remuner-ation
Name	Year	$	$	$	$	% of TR	$	% of TR	$	% of TR	$	% of TR	$	$
Parmjot Bains CEO	**2024**	**199,075**	**-**	**17,773**	**216,848**	**100%**	-	**-**	-		-	-	-	**216,848**
	2023	-	-	-	-	-	-	**-**	-		-	-	-	-
McGregor Grant CF&OO[4]	**2024**	**271,398**	**-**	**20,649**	**292,047**	**100%**	-	**-**	-		-	-	-	**292,047**
	2023	-	-	-	-	-	-	**-**	-	-	-	-	-	-
Rick Valencia CEO	**2024**	**275,597**	**11,826**	**6,406**	**293,829**	**33%**	**-**	**-**	**-**	**-**	**(235,353)**	**-26%**	**830,759[1]**	**889,235**
	2023	389,969	15,210	15,320	420,499	48%	141,437	16%	82,506	9%	235,353	27%	-	879,795
Tim Cruikshank CFO	**2024**	**411,514**	**28,422**	**21,036**	**460,972**	**56%**	**-**	**-**	**-**	**-**	**(295,869)**	**-36%**	**658,985[2]**	**824,088**
	2023	534,622	36,752	19,016	590,390	64%	168,862	18%	-	-	164,532	18%	-	923,784
Shashi Tripathi COO	**2024**	**474,595**	**32,154**	**20,528**	**527,277**	**75%**	**-**	**-**	**-**	**-**	**(299,649)**	**-43%**	**475,911[3]**	**703,539**
	2023	413,491	34,619	18,823	466,933	51%	175,901	19%	99,422	11%	178,476	19%	-	920,732
Total	**2024**	**1,632,179**	**72,402**	**86,392**	**1,790,973**	**61%**	**-**	**-**	**-**	**-**	**(830,871)**	**-29%**	**1,965,655**	**2,925,757**
	2023	1,338,082	86,581	53,159	1,477,822	54%	486,200	18%	181,928	7%	578,361	21%	-	2,724,311

1. Includes $772,429 of severance associated with the termination of Mr. Valencia's employment and accrued annual leave of $58,330.
2. Includes $553,546 of severance associated with the termination of Mr. Cruickshank's employment and accrued annual leave of $105,439.
3. Includes $434,588 of severance associated with the termination of Mr. Tripathi's employment and accrued annual leave of $41,323.
4. Base Salary includes $23,799 of board fees paid and $2,756 of superannuation related to board fees paid.

Remuneration report

5.2 Non-executive Director remuneration for FY24

The following table outlines the statutory and audited (A-IFRS) remuneration of Non-executive Directors:

Name	Year	Board fees ($)	Superannuation ($)	Total ($)
Christine Emmanuel-Donnelly	**2024**	**105,380**	**11,592**	**116,972**
	2023	-	-	-
Janelle Delaney	**2024**	**75,660**	**8,323**	**83,983**
	2023	-	-	-
Fiona Bones	**2024**	**5,983**	**658**	**6,641**
	2023	-	-	-
Andrew Grant[1]	**2024**	**77,556**	**8,531**	**86,087**
	2023	-	-	-
Daniel Sharp	**2024**	**22,386**	**2,463**	**24,849**
	2023	-	-	-
Michael Seiden	**2024**	**42,848**	**-**	**42,848**
	2023	-	-	-
Don Williams	**2024**	**48,714**	**-**	**48,714**
	2023	198,000	-	198,000
Jan West	**2024**	**27,272**	**1,152**	**28,424**
	2023	88,643	3,443	92,086
Judith Downs	**2024**	**-**	**-**	**-**
	2023	34,632	1,368	36,000
Robert Graham	**2024**	**-**	**-**	**-**
	2023	97,160	3,840	101,000
Amit Patel	**2024**	**27,556**	**-**	**27,556**
	2023	119,652	-	119,652
David Anderson	**2024**	**24,849**	**-**	**24,849**
	2023	277,852	-	277,852
Total	**2024**	**458,204**	**32,719**	**490,923**
	2023	815,939	8,651	824,590

[1] On 17 April 2024, Andrew Grant was appointed Vice President of Product Development and Customer Solutions in an interim capacity. The above remuneration includes $49,677 related to this role.

Remuneration report

5.3 KMP equity movements and holding policy status

Movements in equity interests during the financial year by Executive KMP, including their personally related parties as well as progress towards achieving the minimum shareholding requirement (MSR) are set out below:

Name	Instrument	Held at open 2023 Number	Date Granted FY24	Number Granted FY24	Forfeited during FY24 Number	Vested during FY24 Number	FY24 Exercised Number	FY 24 Restriction end Number	FY24 Other[1] Number	Held at close 2024 Number	
Parmjot Bains	Unrestricted Shares	-	-	-	-	-	-	-	21,673	21,673	0%
McGregor Grant	Unrestricted Shares	-	-	-	-	-	-	-	2,055,000	2,055,000	91%
Rick Valencia	Unrestricted Shares	1,822,500	-	-	-	-	-	-	(1,822,500)	-	-
	Restricted Shares	214,004	-	-	(214,004)	-	-	-	-	-	
	Options	10,000,000	-	-	(10,000,000)	-	-	-	-	-	
	Performance Rights	20,000,000	-	-	(20,000,000)	-	-	-	-	-	
Tim Cruickshank	Unrestricted Shares	2,683,398	-	-	-	-	-	311,041	(2,994,439)	-	-
	Restricted Shares	311,041	-	-	-	-	-	(311,041)	-	-	
	Options	6,193,000	-	-	(4,190,250)	-	-		(2,002,750)	-	
	Performance Rights	3,381,764	-	-	(2,898,841)	(482,923)	-		-	-	
Shashi Tripathi	Unrestricted Shares	2,736,688	-	-	-	-	-	324,008	(3,060,696)	-	-
	Restricted Shares	324,008	-	-	-	-	-	(324,008)	-	-	
	Options	6,487,863	-	-	(4,068,250)	-	-	-	(2,419,613)	-	
	Performance Rights	3,453,045	-	-	(2,950,000)	(503,045)	-	-	-	-	
Total		**57,607,311**	**-**	**-**	**(44,321,345)**	**(985,968)**	**-**	**-**	**(10,223,325)**	**2,076,673**	**N/A**

[1] Represents equity interests held at the time Executive became an Executive KMP or ceased to be an Executive KMP

Remuneration report

The following table summarises changes in Non-executive Director equity interests during FY24:

Name	Instrument	Held at open Number	FY24 Purchased Number	FY24 Sold and other Number	Held at close Number	% of MSR met
Christine Emmanuel-Donnelly	Shares	-	389,809	-	389,809	19%
Janelle Delaney	Shares	-	3,930,122	-	3,930,122	100%
Fiona Bones	Shares	-	80,000	-	80,000	9%
Andrew Grant	Shares	-	400,000	-	400,000	42%
Donald Williams	Shares	7,869,074	178,916	(8,047,990)	-	-
David Anderson	Shares	5,429,057	81,325	(5,510,382)	-	-
Amit Patel	Shares	3,086,261	111,145	(3,197,406)	-	-
Daniel Sharp	Shares	7,436,016	-	(7,436,016)	-	-
Jan West	Shares	1,179,085	130,152	(1,309,237)	-	-
Michael Seiden	Shares	-	-	-	-	-
Total		**24,999,493**	**5,301,469**	**(25,501,031)**	**4,799,931**	**N/A**

During FY24 no equity remuneration was granted to current Executive KMP.

5.4 KMP service agreements

5.4.1 Executive KMP

The following outlines current Executive KMP service agreements following formal appointment on 22 July 2024:

Name	Contract term	Notice by Company	Notice by KMP	Termination Payments
Parmjot Bains	On-going employment	Six months	Six months	None
McGregor Grant	On-going employment	Four months	Four months	None

5.4.2 Non-executive Directors

On appointment to the Board, each NED enters into an agreement with the Company in the form of a letter of appointment. The letter summarises the Board's policies and terms, including compensation relevant to the office of the Director. NEDs are not eligible to receive termination payments under the terms of their appointment.

5.5 Loans and transactions with KMP

5.5.1 Loans to KMP and their related parties

During the financial year and to the date of this report, the Group made no loans to Directors and other KMP and none were outstanding as at 30 June 2024 (2023: Nil).

5.5.2 Other transactions and balances with KMP and their related parties

For the year ended 30 June 2024, the Group issued shares to Directors and Executives as equity-based remuneration in lieu of cash. There were no other transactions that occurred with Directors or Executives that would be considered related party transactions.

Remuneration report

6. Remuneration governance

6.1 Role of the Remuneration Committee

The Board is responsible for ImpediMed's remuneration strategy and policy and has established a Remuneration Committee that is chaired by an independent Director with a majority of independent Directors. Members of the Remuneration Committee are shown in Section 2.

The role and responsibilities of the Remuneration Committee are set out in its Charter, which was last reviewed and approved by the Board in June 2024. The Remuneration Committee's role and its relationship with the Board, internal and external advisors is illustrated below.

<table>
<tr><th colspan="3">The Board</th></tr>
<tr><td colspan="3">Reviews, applies judgement and, as appropriate, approves the Remuneration Committee's recommendations</td></tr>
<tr><th colspan="3">Remuneration Committee</th></tr>
<tr><td colspan="3">The Committee operates under the delegated authority of the Board and is empowered to source any internal resources and obtain external independent professional advice it considers necessary to enable it to make recommendations to the Board in relation to the following:</td></tr>
<tr><td>Remuneration policies and practices ensuring they are designed to enable the Company to attract, retain and motivate directors, executives and employees who will create value for shareholders.</td><td>Structuring remuneration for senior executives and the whole organisation, ensuring alignment with the Company's mission, values and strategic objectives.</td><td>Incentive schemes for CEO, Executive KMP and employees, including structure, performance measures and vesting conditions associated with equity-based plans.</td></tr>
<tr><th colspan="2">External consultants</th><th>Internal resources</th></tr>
</table>

6.2 Remuneration advisors

As appropriate, the Board and Remuneration Committee obtain and consider advice directly from specialist remuneration and governance advisors, who are independent of management. The Board adopts practices in accordance with the Corporations Act 2001 to ensure that any advice received from its external advisors is free from undue influence of the KMP about whom the advice may relate.

There were no 'remuneration recommendations', as defined in the Corporations Act 2001, made during the FY24 reporting period.

6.3 Board discretion

The Board, generally on the recommendation of the Remuneration Committee, has the power to determine remuneration outcomes for senior executives. This includes the power to exercise its discretion to adjust the STI and LTI outcomes to the extent this is permitted by the employee incentive plan rules if the Board considers that those outcomes do not fairly reflect performance or shareholder experience.

Remuneration report

The Board advises that, subject to applicable laws, ASX listing requirements and any other regulatory obligations, the Board may exercise its absolute discretion, in circumstances where the Board considers it to be in the best interests of the Company to:

a. vary or waive some or all terms and conditions of the Rights; and,
b. without limiting the extent of the Board's discretion, this may include:

   i. bringing forward the date on which the Rights may be exercised;
   ii. changing the way in which the performance requirements are to be measured;
   iii. amending the vesting period;
   iv. amending the exercise period;
   v. changing the way in which the number of securities from exercise is to be determined;
   vi. changing the way in which the number of Rights that vest is to be determined; and
   vii. changing the way in which cash value on exercise and settlement is to be determined.

Prior to determination of variable remuneration outcomes or vesting, the Remuneration Committee receives a recommendation from the Audit & Risk Committee in relation to risk management (financial and non-financial) and compliance by Executive KMP during the year to determine whether any adjustments should be made to remuneration outcomes.

The Board is committed to transparency regarding the application of its discretion in relation to each of these matters and did not exercise any discretion in relation to the above matters for FY24.

6.4 Securities Trading Policy

Under the ImpediMed Limited Securities Trading Policy and in accordance with the Corporations Act, securities granted under ImpediMed's variable remuneration schemes must remain at risk until vested, or until exercised, if options or performance rights. No schemes may be entered into by an individual or their associates that specifically protects the unvested value of shares, rights or options.

KMP are not permitted to deal at any time in financial products such as options, warrants, futures or other financial products issued over ImpediMed's securities by third parties such as banks and other institutions without the prior approval of the Board. An exception may apply where the securities form a component of a listed portfolio or index product.

KMP are not permitted to enter transactions in products associated with the securities that operate to limit the economic risk of their security holding in the Company (e.g. hedging arrangements).

ImpediMed, as required under the ASX Listing Rules, has a formal policy setting out how and when employees, including KMP of ImpediMed Limited, may deal in ImpediMed's securities. A copy of the Company's Securities Trading Policy is available on ImpediMed's website, www.impedimed.com.

Contents of financial reports

Auditor's independence declaration

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Auditor's independence declaration to the directors of ImpediMed Limited

As lead auditor for the audit of the financial report of ImpediMed Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of ImpediMed Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Madhu Nair
Partner
29 August 2024

Consolidated statement of profit and loss and other comprehensive income

For the year ended 30 June 2024

	Notes	2024 $000	2023 $000
Revenue from contracts with customers	2.2	**10,319**	11,344
Cost of goods sold		**(1,314)**	(1,546)
Gross profit		**9,005**	9,798
Finance income- net	2.3	**1,466**	767
Other income	2.3	**2,815**	1,608
Salaries and benefits	4.1	**(21,528)**	(20,231)
Share-based payments	4.3	**680**	(754)
Clinical trials and research & development	2.4	**(221)**	(598)
Administrative and governance	2.4	**(3,174)**	(2,672)
Depreciation and amortisation		**(2,253)**	(2,467)
Consultants and professional fees	2.4	**(3,083)**	(2,653)
Other expenses	2.4	**(3,464)**	(3,288)
Loss from operations before income tax		**(19,757)**	(20,490)
Income tax	3.1	**(33)**	(31)
Loss from operations after income tax expense attributable to owners of the parent entity		**(19,790)**	(20,521)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on foreign currency translation		**274**	1,073
Other comprehensive gain for the period, net of tax		**274**	1,073
Total comprehensive loss for the year attributable to owners of the parent entity		**(19,516)**	(19,448)
		$	$
Basic and diluted loss per share	2.5	**(0.01)**	(0.01)

The consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 30 June 2024

	Notes	2024 $000	2023 $000
Assets			
Current Assets			
Cash and cash equivalents	6.1	**24,632**	45,710
Trade and other receivables	6.3	**2,648**	3,843
Contract assets	5	**555**	541
Inventories	7.1	**759**	810
Prepayments and other current assets		**864**	1,031
Total current assets		**29,458**	51,935
Non-current assets			
Other financial assets	6.2	**54**	78
Property, plant and equipment	7.2	**350**	539
Right of use assets	7.3	**1,098**	1,412
Intangible assets	7.4	**16,026**	14,772
Total non-current assets		**17,528**	16,801
Total assets		**46,986**	68,736
Liabilities			
Current liabilities			
Trade and other payables	6.4	**1,606**	2,227
Contract liabilities	5	**1,494**	1,031
Employee benefits liabilities	4.2	**1,157**	2,229
Provisions	7.5	**67**	59
Lease liabilities	6.5	**333**	300
Total current liabilities		**4,657**	5,846
Non-current liabilities			
Contract liabilities	5	**695**	422
Lease liabilities	6.5	**810**	1,147
Employee benefits liabilities	4.2	**53**	415
Provisions	7.5	**28**	27
Total non-current liabilities		**1,586**	2,011
Total liabilities		**6,243**	7,857
Net assets		**40,743**	60,879
Equity			
Issued capital	9.1	**336,147**	336,087
Reserves		**35,548**	35,954
Accumulated losses		**(330,952)**	(311,162)
Total equity		**40,743**	60,879

The consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 30 June 2024

			Reserves					
	Notes	Issued Capital $000	Share based payments $000	Equity escrow $000	Foreign currency $000	Total reserves $000	Accumulated Losses $000	Total $000
At 30 June 2022		**307,558**	**24,467**	**2,687**	**6,973**	**34,127**	**(290,641)**	**51,044**
Loss for the period		-	-		-	-	(20,521)	**(20,521)**
Other comprehensive loss		-	-		1,073	1,073	-	**1,073**
Total comprehensive income/(loss) for the period					1,073	1,073	(20,521)	**(19,448)**
Equity transactions:								
Share-based payments	4.3	-	(137)	891	-	754	-	**754**
Issue of ordinary shares	9.1	30,022	-	-	-	-	-	**30,022**
Costs of capital raising	9.1	(1,493)	-	-	-	-	-	**(1,493)**
At 30 June 2023		**336,087**	**24,330**	**3,578**	**8,046**	**35,954**	**(311,162)**	**60,879**
Loss for the period		-	-	-	-	-	(19,790)	**(19,790)**
Other comprehensive gain		-	-	-	274	274	-	**274**
Total comprehensive income/ (loss) for the period		-	-		274	274	(19,790)	**(19,516)**
Equity transactions:								
Share-based payments	4.3	-	(800)	120	-	(680)	-	**(680)**
Issue of ordinary shares	9.1	60	-	-	-	-	-	**60**
At 30 June 2024		**336,147**	**23,530**	**3,698**	**8,320**	**35,548**	**(330,952)**	**40,743**

The consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 30 June 2024

	Notes	2024 $000	2023 $000
Cash flows from operating activities			
Receipts from customers (inclusive of GST and sales tax)		**11,493**	11,487
Payments to suppliers (inclusive of GST and sales tax)		**(10,965)**	(11,533)
Payments to employees		**(23,307)**	(20,411)
Interest received		**1,604**	741
Government grant receipts		**3,386**	1,667
Net cash flows used in operating activities	6.1	**(17,789)**	(18,049)
Cash flows from investing activities			
Purchase of property, plant and equipment		**(81)**	(392)
Development expenditures and purchase of intangibles		**(3,024)**	(5,651)
Net cash flows used in investing activities		**(3,105)**	(6,043)
Cash flows from financing activities			
Proceeds from issue of ordinary shares	9.1	**58**	30,022
Transaction costs from capital raising		**(62)**	(1,516)
Repayment of grant		**-**	(149)
Other payments including lease liabilities		**(477)**	(425)
Net cash flows from financing activities		**(481)**	27,932
Net (Decrease)/Increase in cash and cash equivalents		**(21,375)**	3,840
Net foreign exchange differences		**297**	1,140
Cash and cash equivalents at the beginning of the financial year		**45,710**	40,730
Cash and cash equivalents at the end of the financial year	6.1	**24,632**	45,710

The consolidated financial statements should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

For the year ended 30 June 2024

1. General accounting policies

This section sets out the Group's accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates.

1.1 Reporting entity

ImpediMed Limited (the Company) is listed public company limited by shares and incorporated in Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2024 comprises ImpediMed Limited and its subsidiaries (the Group).

ImpediMed Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange. The nature of the operations and principal activities of the Group are described in the Directors' Report.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($000) unless otherwise stated.

1.2 Basis of preparation

a) Statement of compliance

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements of the Group for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the Board of Directors on 29 August 2024.

b) Basis of measurement

The financial report has been prepared on a historical cost basis.

c) Going concern

These consolidated financial statements have been prepared on a going concern basis, which assumes continuity of normal business activities, the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group had cash of $24.6 million at 30 June 2024 (30 June 2023: $45.7 million) and no borrowing from banks or other financial institutions at that date. The Group incurred a net loss of $19.8 million for the year ended 30 June 2024 (30 June 2023: $20.5. million). The Group had $17.8 million (30 June 2023: $18.0 million) of net cash outflows from operations.

The Directors, in their consideration of the appropriateness of the going concern basis for the preparation of the financial statements, have prepared a cash flow forecast for the 12 months from the date of signing these financial statements. The cashflow forecast demonstrates the Group will continue to generate operating losses and net cash outflows from operations. The Group's future viability is dependent upon managing existing cash balances and achieving increased cash inflows from cash receipts from customers or other funding arrangements, such as a capital raising to manage any shortfall in cash inflows.

Should the Group be unable to manage cash inflows and outflows at amounts as necessary to meet future operating plans, a material uncertainty would exist that may cast significant doubt on the ability of the Group to continue as a going concern, and therefore, whether it will realise its assets and extinguish its liabilities in the ordinary course of business.

The Directors are confident the Group will be able manage cashflows and continue to be able to pay its debts as and when they fall due for a period in excess of 12-months from the date the financial report has been signed and thus continue as a going concern. On this basis, it is appropriate to prepare the financial statements on the going concern basis. No adjustment has been made in the financial statements relating to the recoverability and classification of recorded asset amounts and to the classification of liabilities that might be necessary should the Group be unable to continue as a going concern.

Notes to the consolidated financial statements

For the year ended 30 June 2024

d) Reclassification

Certain prior period amounts have been reclassified for financial statement presentation purposes. These reclassifications have no impact on previously reported net loss and other comprehensive income.

e) Significant judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent assets and liabilities, commitments, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of certain assets, liabilities, revenue and expenses are included in the following notes:

Note 2.1 - Revenue from contracts with customers
Note 2.3(b) – Other income
Note 3.2 – Deferred taxes
Note 4.3 – Share based payments
Note 7.1 - Inventories
Note 7.4 - Intangible assets

f) Goods and services tax (GST), Value added tax (VAT)

Revenues, expenses and assets are recognised net of the amount of associated GST or VAT as applicable, unless the GST/ VAT incurred is not recoverable from the taxation authority, in which case the GST/ VAT is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST/ VAT receivable or payable. The net amount of GST/ VAT recoverable from, or payable to, the taxation authority is included with other current receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST/ VAT components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

g) Sales tax

The Group is subject to sales taxation in the US in various state jurisdictions. Sales tax has several components:

- On revenue, the Group collects sales tax from customers and remits it to state governments.
- For expenses and assets, the Group pays sales tax on the purchase of goods that are used in the course of business. Sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amount of sales tax included.

Receipts from customers are included in the Consolidated statement of cash flows including sales tax amounts collected which are payable to the taxation authority. These amounts are offset by payments made to taxation authorities during each period in the Consolidated statement of cash flows. Cash flows on expenses and as-sets are included in the Consolidated statement of cash flows on a gross basis and are classified as operating, investing or financing cash flows as appropriate.

h) Rounding

The Company is of a kind referred to in ASIC Instrument 2016/191 issued in 2016, and in accordance with that Instrument, all financial information presented in Australian dollars has been rounded to the nearest one thousand dollars ($000), unless otherwise stated.

Notes to the consolidated financial statements

For the year ended 30 June 2024

2. Performance for the year

2.1 Revenue from contracts with customers

The Group accounts for its revenue in accordance with AASB15. Revenue from customer contracts is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

SOZO Software – Sale of device and subscription services

The Group enters into contracts with customers for bundled sales of SOZO devices and software subscription services. The Group has determined that these bundled sales contracts are comprised of one performance obligation because the promises to transfer the SOZO device and subscription services for ongoing assessment are not capable of being distinct and separately identified.

Accordingly, the Group allocates the transaction price relating to the bundled sales contract, which may include a discount, to the one performance obligation. In addition, the Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Revenue under these contracts is recognised in equal monthly amounts over the term of the contract in accordance with the contractual terms, commencing when there is persuasive evidence, usually in the form of a purchase order or an executed sales agreement with a customer at the time of delivery of the goods to the customer.

Key revenue policy considerations relating to Sozo Software

In determining the transaction price for the subscription services, the Group considers the effect of the following:

i) Judgements

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers. Identifying the number of performance obligations in a bundled sale of equipment and subscription services under different contractual arrangement for SOZO software. The Group provides devices that are bundled together with the subscription services to a customer. Under the contractual terms the subscription services are a promise to provide ongoing access to assessment and testing services in the future and are part of the negotiated exchange between the Group and the customer. The device is an integral part of the ongoing service provided and is not capable of being distinct and separately identified. Determination of the contract term for which the revenue will be recognised, taking into account the renewal rates and churn rate of existing customers.

ii) Financing component

The Group may receive short-term advances from its customers in the form of up-front payment of devices, consumables or advance payment of subscription services. The Group has not identified any significant financing components within these advances. Using the practical expedient in AASB 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. There was no adjustment made in respect of this in the current or prior periods.

(iii) Warranty obligations

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

(iv) Incremental costs of obtaining a contract

The Group pays sales commission to its employees for each contract that they obtain for bundled sales of SOZO devices and subscription services. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included under employee benefits and part of cost of sales) because the amortisation period of the asset that the Group otherwise would have used is one year or less.

Notes to the consolidated financial statements

For the year ended 30 June 2024

Sale of Goods – legacy devices and consumables

Revenue from the stand-alone sale of legacy devices and consumables is recognised at the point in time when control of the asset is transferred to the customer, generally on shipment of the devices or consumables, and when there is persuasive evidence, usually in the form of a purchase order or an executed sales agreement with a customer at the time of delivery of the goods to the customer that no further work or processing is required to satisfy the performance obligation, the quantity and quality of the goods has been determined, the price is fixed and generally title has passed (for shipped goods this is the bill of lading date).

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Other services

Revenue from the repair of instruments is recognised at the point in time upon completion of the performance obligation, which is typically when the repair has been performed. When the contract outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

2.2 Segment information

Operating segment

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker, the Chief Executive Officer, to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

For the year ended 30 June 2024, consistent with the prior year, the Group identified the Medical segment as the sole operating segment. During the year, the Chief Executive Officer reviewed the business revenue information within the Medical segment, consisting of the Group's SOZO and Legacy product lines, consistent with the previous financial year. The primary focus during the period for the Medical segment is the continued commercialisation of SOZO.

For the year ended 30 June 2024, the Company reported revenue associated with sale of devices separate as recurring subscription revenue. For this period, as the device is an integral part of the ongoing service provided, the Company reported all revenue associated with each contract as Revenue from Contracts with Customers, recognised over the term of each contract.

Due to having material contracts for the use of SOZO in AstraZeneca clinical trials, revenue from the Group's SOZO product line is presented separately as SOZO – Core business and SOZO – Clinical business.

SOZO – Core business: The Core business refers to the commercialisation efforts from the Company's core strategic focus areas. To date, this primarily includes revenue from SOZO contracts in the Oncology market.

SOZO – Clinical business: The Clinical business refers to revenue generating contracts related to clinical trials. These contracts are usually finite in nature, as they relate to clinical trials with specific end dates.

Types of products

The principal products and services of the Medical segment are the development, manufacture and sale of BIS systems and software services with a focus on the early detection of lymphoedema, body composition analysis and for fluid management of patients suffering from heart failure.

Major customers

The Group has several customers to which it provides both products and services. In the Medical segment, nil (2023: one) customer accounted for more than 10% of the Group's revenues. However, the Group does not believe there is an inherent risk for future financial years that would stem from reliance on revenue growth from any one customer.

Notes to the consolidated financial statements

For the year ended 30 June 2024

Segment revenue and gross margin

Year ended 30 June 2024

	Medical					
	SOZO – Core Business $000	SOZO – Clinical Business $000	Total SOZO $000	Legacy $000	Other $000	Total $000
Revenue						
Revenue from contracts with customers	9,646	146	9,792	407	-	**10,199**
Other revenue	-	-	-	-	120	**120**
Total revenue	**9,646**	**146**	**9,792**	**407**	**120**	**10,319**
Cost of goods						
Costs from contracts with customers			(736)	(125)	-	**(861)**
Other costs			(453)	-	-	**(453)**
Total cost of goods			**(1,189)**	**(125)**	**-**	**(1,314)**
Gross margin						
Gross margin – contracts with customers			9,056	282	-	**9,338**
Gross margin - Other			(453)	-	120	**(333)**
Total gross margin			**8,603**	**282**	**120**	**9,005**
Gross margin %						
Contracts with customers			92%	69%	-	**92%**
Total gross margin %			**88%**	**69%**	**100%**	**87%**

Notes to the consolidated financial statements

For the year ended 30 June 2024

Year ended 30 June 2023

	Medical					
	SOZO – Core Business $000	SOZO – Clinical Business $000	Total SOZO $000	Legacy $000	Other $000	Total $000
Revenue						
Recurring subscription and consumable revenue from contracts with customers	7,284	1,837	9,121	314	-	**9,435**
Device revenue from leases	-	202	202	-	-	**202**
Device revenue from contracts with customers	1,240	-	1,240	372	-	**1,612**
Other revenue		-	-	-	95	**95**
Total revenue	**8,524**	**2,039**	**10,563**	**686**	**95**	**11,344**
Cost of recurring subscription and consumable revenue from contracts with customers			(378)	(28)	-	**(406)**
Cost of device revenue from leases			(130)	-	-	**(130)**
Cost of device revenue from contracts with customers			(530)	(146)	-	**(676)**
Other costs			(334)	-	-	**(334)**
Total cost of sales			**(1,372)**	**(174)**	**-**	**(1,546)**
Gross margin						
Gross margin – recurring subscriptions and consumables			8,743	286	-	**9,029**
Gross margin – Device revenue from leases			72	-	-	**72**
Gross margin – Device revenue from contracts with customers			710	226	-	**936**
Gross margin – Other revenue			(334)	-	95	**(239)**
Total gross margin			**9,191**	**512**	**95**	**9,798**
Gross margin %						
Gross margin – recurring subscriptions and consumables			96%	91%	-	**96%**
Gross margin – Device revenue from leases			36%	-	-	**0%**
Gross margin – Device revenue from contracts with customers			57%	61%	-	**58%**
Total gross margin %			**87%**	**75%**	**100%**	**86%**

Notes to the consolidated financial statements

For the year ended 30 June 2024

Geographical information

The following tables present revenue and profit/(loss) information and certain asset and liability information regarding geographical segments for the years ended 30 June 2024 and 2023. Revenue data is based on the location of the customer for geographical reporting purposes.

Australia is the corporate home office of the Group and the main domicile of its research and product development activities, intellectual property and corporate services. The Australia / ROW geographical segment primarily sells and ships Medical segment products to customers and distributors located in Australia, Europe and the rest of the world excluding the US.

The Group's North American office in Carlsbad, California serves as the operational hub for finance and administration, selling, customer service, contract manufacturing and shipping Medical segment products to customers located in the US. Revenue from external customers by geographical location is detailed below.

At 30 June 2024	Australia/ROW $000	North America $000	Total $000
Revenue from contracts with customers	881	9,172	**10,053**
Other revenue	11	109	**120**
Total segment revenue	**892**	**9,281**	**10,173**
Unallocated revenue (i)			**146**
Total revenue			**10,319**

At 30 June 2023	Australia/ROW $000	North America $000	Total $000
Revenue from contracts with customers	1,039	8,171	9,210
Other revenue	8	87	95
Total segment revenue	1,047	8,258	9,305
Unallocated revenue (i)			2,039
Total revenue			11,344

(i) Unallocated revenue primarily consists of revenue derived from the Clinical Business, which is not allocated to a specific geography.

All segment assets and costs relating to the Group's operating segments as at 30 June 2024 are Medical.

2.3 Finance and other income

a) Finance income – net

Interest income is recognised as interest accrues using the effective interest rate method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Net finance income is summarised below:

	2024 $000	2023 $000
Interest income – term deposits	**1,559**	801
Interest expense – lease liability	**(93)**	(34)
Finance income – net	**1,466**	767

Notes to the consolidated financial statements

For the year ended 30 June 2024

b) Other income

Under AASB 120, the Group recognises income from Grants when there is reasonable assurance of receipt and compliance with the stated conditions. Grant income is recognised on a systematic basis over the periods in which the entity recognises the expenses that relate to costs for which the grants are intended to compensate. In relation to the R&D tax incentive, the Australian Taxation Office (ATO) provides certain Research and Development (R&D) tax incentives and concessions under the AusIndustry R&D Tax Incentive program. The program is a broad-based entitlement program that aims to promote innovation within Australia for eligible R&D activities.

Whilst there is a judgment involved in when reasonable assurance of receipt exists, the Group now has a history of successful lodgings and receipt with the ATO. The Group recognises income related to the R&D tax incentive in the period in which the expenses are recognised. During the year the Group received a grant of $1.9 million in relation to the Employee Retention Tax Credit from the US Government. The Group recognised the income associated with the Grant upon satisfying all of the conditions, and the actual receipt of the funds. Other income is summarised below:

	2024 $000	2023 $000
R&D tax incentive	**968**	1,586
Proceeds from tax refunds, grants, and other (i)	**1,847**	22
Total other income	**2,815**	1,608

(i) Non-recurring US Government grants are recognised as income upon receipt of cash due to the uncertainty of receiving funds at the time of application of such grants.

2.4 Individually significant items

The loss from ordinary activities before income tax includes the following expenses:

	2024 $000	2023 $000
Clinical trials and research & development		
Cardiology and other clinical trials	**20**	199
Oncology clinical trials	**167**	384
Other	**34**	15
Total clinical trials and research & development	**221**	598
Admin and governance fees		
Governance fees	**1,580**	963
Insurance	**1,247**	1,294
Admin fees	**347**	415
Total admin and governance fees	**3,174**	2,672
Consultants and professional fees		
Consulting fees	**1,477**	1,233
Patent and trademark fees	**469**	547
Professional fees	**1,137**	873
Total consultants and professional fees	**3,083**	2,653
Other expenses		
Travel	**1,455**	1,092
IT and property	**1,108**	1,082
Advertising and promotion	**524**	458
Bad debts	**313**	535
Other	**64**	121
Total other expenses	**3,464**	3,288

Notes to the consolidated financial statements

For the year ended 30 June 2024

2.5 Earnings per share

Basic earnings per share (EPS) is calculated as net loss attributable to members of the parent entity, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as the net loss attributable to ordinary equity holders dividing by the sum of the weighted average number of ordinary shares and the weighted average number of convertible instruments. For the year ended 30 June 2024, diluted EPS is equal to basic EPS as the Group is currently in a loss position and any conversion of instruments to ordinary shares would have an antidilutive effect on earnings per share.

As at 30 June 2024, there were 50,063,476 (30 June 2023: 66,865,222) options and 12,003,000 (30 June 2023: 42,778,395) performance rights on issue.

	30 June 2024 $000	30 June 2023 $000
Net loss attributable to ordinary equity holders of the parent used in calculating earnings per share	**(19,790)**	(20,521)
	Number	Number
Weighted average number of ordinary shares used in calculating earnings per share	**2,021,740,728**	1,800,348,506
	Cents	Cents
Basic and diluted loss per share	**(0.01)**	(0.01)

2.6 Dividends

There were no dividends paid or proposed during the financial year and to the date of this report (2023: Nil).

3. Income taxes

3.1 Income tax expense

The income tax expense or benefit for the period is the tax payable on or benefit attributable to the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses and adjustments in relation to prior periods. Current and any deferred tax utilised are recognised in the consolidated statement of profit or loss except to the extent that they relate to items recognised directly in other comprehensive income or equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

The major components of income tax expense for the period are:

	2024 $000	2023 $000
Consolidated statement of profit or loss		
Current tax		
Current income tax expense	**(29)**	(33)
Prior year over/under provision	**(4)**	2
Income tax expense reported in the statement of profit or loss	**(33)**	(31)

Notes to the consolidated financial statements

For the year ended 30 June 2024

A reconciliation of the loss before income to the income tax expense is as follows:

	2024 $000	2023 $000
Loss from operations before income tax	**(19,757)**	(20,490)
Prima facie income tax credit calculated at Australia's income tax rate of 25% (2023: 25%)	**4,940**	5,122
Adjustment for current income tax of previous years		
Non-deductible expenses	**(349)**	(898)
Other assessable income	**(38)**	(31)
Non-assessable income	**259**	376
Other temporary differences not recognised	**110**	376
Foreign tax rate adjustment	**(480)**	(466)
Tax Losses not recognised (i)	**(4,471)**	(4,512)
Prior year over/under provision	**(4)**	2
Income tax expense	**(33)**	(31)

(i) Movement in the tax Losses not recognised is primarily related to increased capitalised development costs.

3.2 Deferred taxes

Deferred income tax is calculated, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted by local jurisdictions as of the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised for deductible temporary differences and unused tax losses and tax credits only if it is probable that future taxable amounts will be available to utilise these temporary difference, losses and credits, and on the assumption that no adverse change will occur in income tax legislation enabling the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Management judgement is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. These are reviewed at each reporting date. At 30 June 2024 no deferred tax asset has been recorded (2023: Nil).

Deferred tax asset and liabilities, if recognised, are classified as non-current assets and liabilities. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Notes to the consolidated financial statements

For the year ended 30 June 2024

As at year end, the unrecognised net deferred tax asset comprises:

	2024 $000	2023 $000
Deferred tax assets		
Doubtful debts	**64**	65
Employee entitlements	**217**	319
S40-880 costs	**452**	771
Patents and license costs	**895**	506
Sundry creditors and accruals	**28**	24
Losses available to be offset against future taxable income	**68,617**	63,543
Revenue received in advance	**343**	258
Inventory and other provisions	**120**	132
Unrealised foreign exchange losses	**(8,116)**	(8,280)
Deferred tax liabilities		
Income not derived for tax purposes	**(4)**	(16)
Property plant and equipment	**10**	9
Subtotal	**62,626**	57,331
Net deferred tax asset not recognised	**(62,626)**	(57,331)
Net deferred tax balance	**-**	**-**

Tax losses

The Group has tax losses in Australia of approximately $104.5 million (2023: $97.8 million) and tax losses in the US of approximately AUD $192.6 million (2023: AUD $182.5 million) that are available for offset against future taxable profits of the companies in which the losses arose, subject to satisfying the relevant income tax loss carry forward rules. US tax losses of AUD $102.2 million incurred prior to 2017 have a 20-year expiry period, with an expiry range of 2027 to 2037. These tax losses are not recognised in the financial statements.

4. Employee benefits

4.1 Staffing costs

Staffing costs included in the profit and loss statement consist of:

	2024 $000	2023 $000
Salaries and wages	**18,293**	15,928
Short term incentives and sales commissions	**1,128**	3,272
Employee benefits	**1,621**	1,362
Superannuation	**676**	642
Annual leave & long service leave	**473**	41
Taxes and other	**1,441**	1,480
Capitalised employee costs (i)	**(2,104)**	(2,494)
Total salaries and benefits	**21,528**	20,231
Share-based payments (iv)	**(680)**	754
Total staffing costs	**20,848**	20,985

(i) In the year ended 30 June 2024, salaries and wages increased $2.4 million, of which $2.1 million related to the re-organisation.

(ii) Short term incentives decreased by $2.1 million due to the STI targets not being achieved for the year ended 30 June 2024.

(iii) Wages and salaries relating to SOZO software development have been recognised as Intangible Assets in accordance with AASB 138 *Intangible Assets* in both the current and prior corresponding periods.

(iv) Share-based payments in the current year are negative as a result of forfeited awards from the re-organisation.

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For the year ended 30 June 2024

4.2 Employee benefits

Employee entitlements comprise accrued entitlements for annual leave, performance pay and superannuation contributions (all current) and for long service leave and KMP STIs (non-current).

Employee entitlements expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

a) Wages, salaries and annual leave

Liabilities for employee benefits, including wages, salaries and non-monetary benefits, and accumulated annual and other leave, represent present obligations resulting from employees' services provided to the reporting date. Employee benefits have been measured at the amounts expected to be paid when the liabilities are settled and are recognised in the provision for employee benefits. The liability is calculated on remuneration rates as at the reporting date, including related on-costs such as workers compensation insurance and payroll tax.

b) Long Service Leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on Australian corporate bond market discount rates with terms to maturity that match, as closely as possible, the estimated future cash outflows.

c) Retirement benefits

Contributions to superannuation plans are recognised as an expense when they become payable. The Group contributes to various defined contribution superannuation funds in respect to all employees and at various percentages of their salary, including contributions required by the Superannuation Guarantee Charge. These contributions are made to external superannuation funds and are not defined benefits programs. Consequently, the Group's legal or constructive obligation is limited to these contributions.

d) Short-term and long-term classification of benefits

Benefits that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service are classified as short-term employee benefits. Short-term employee benefits are accounted for on an undiscounted basis in the period in which the service is rendered. Long-term employee benefits are benefits that are not expected to be wholly settled within 12 months and are discounted, allowing for expected salary levels in the future period.

Employee benefits liabilities as at the reporting date are:

	2024 $000	2023 $000
Employee benefits – Current	**1,157**	2,229
Employee benefits – Non-current	**53**	415
Total employee benefits liabilities	**1,210**	2,644

Notes to the consolidated financial statements

For the year ended 30 June 2024

4.3 Share-based payment plans

Share-based compensation benefits are equity-settled transactions provided to employees via the Impedimed share-based compensation plans.

	2024 $000	2023 $000
Expense arising from equity settled share-based payment transactions – employees and consultants	**(800)**	(137)
Expense arising from the Equity Compensation Plan – Directors and employees	**120**	891
Total expense arising from share-based payment transactions	**(680)**	754

a) Share-based compensation plans

Employee Incentive Plan

The Impedimed Employee Incentive Plan (EIP) was established in October 2014 to provide incentives to employees and consultants of the Group. The EIP allows the Board to issue a range of incentive awards with the purpose of providing competitive, performance-based remuneration in alignment with the interests of shareholders.

Participation in the EIP is at the Board's discretion and no individual has a contractual right to participate in it or to receive any guaranteed benefits.

Executive Share Plan

The Impedimed Executive Share Plan (ESP) was adopted in December 2019 enabling Executives to take up to 20% of their gross salary and short-term incentives as shares in lieu of cash. The Board established the ESP to align the financial interests of Executives with those of the shareholders, facilitate the acquisition of shares by the Executives, and preserve cash reserves by remunerating the Executives with shares in lieu of cash.

Non-executive Director Share Plan

The Impedimed Non-executive Director Share Plan (NSP) was adopted in December 2019 to enable Non-executive Directors (NEDs) to take up to 100% of their fees as shares in lieu of cash. The Board established the NSP to align the financial interests of the NEDs with those of the shareholders, facilitate the acquisition of shares by the NEDs, and preserve cash reserves by remunerating the NEDs with shares in lieu of cash.

b) Exercise of rights and options

Rights and options are granted under the EIP for no consideration and carry no dividend or voting rights. When exercisable, each performance right and option is convertible into one ordinary share that ranks equally with any other share on issue in respect of dividends and voting rights. The exercise prices of all rights and options issued to the date of this report were fixed on the dates the rights and options were granted.

Rights and options granted under the EIP requires the holder to be an employee of the Company at the time the rights and options are exercised, except that they may be exercised, if vested, up to 30 days after voluntary termination of employment.

c) Reconciliation of outstanding options and performance rights

Options

The number and weighted average exercise price (WAEP) of Options under the EIP were as follows:

	2024		2023	
	Number	WAEP $	Number	WAEP $
Balance at the beginning of the year	**66,865,222**	**0.16**	75,801,612	0.24
Granted during the year	**10,175,000**	**0.07**	37,675,000	0.07
Exercised during the year	**(628,750)**	**0.08**	(277,500)	0.07
Forfeited during the year	**(24,128,496)**	**0.12**	(44,724,390)	0.20
Expired during the year	**(2,219,500)**	**0.79**	(1,609,500)	0.94
Balance at the end of the year	**50,063,476**	**0.13**	66,865,222	0.16
Exercisable at 30 June	**27,710,250**	**0.09**	18,580,415	0.30

Performance Rights

The number and weighted average exercise price (WAEP) of Performance Rights under the EIP were as follows:

	2024		2023	
	Number	WAEP $	Number	WAEP $
Balance at the beginning of the year	**42,778,395**	**-**	40,157,000	-
Granted during the year	**-**	**-**	34,350,000	-
Forfeited during the year	**(28,728,841)**	**-**	(31,628,605)	-
Exercised during the year	**(1,954,329)**	**-**	(100,000)	-
Expired during the year	**(92,225)**	**-**	-	-
Balance at the end of the year	**12,003,000**	**-**	42,778,395	-
Exercisable at 30 June	-	**-**	**-**	-

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d) Fair value of Options and Performance Rights granted

The assessed fair value on the date rights and options were granted was independently determined using an appropriate valuation model that takes into account relevant inputs, including the exercise price, the term of the right or option, the impact of dilution, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the right or option.

The inputs used in the measurement of the fair values of Options granted are as follows:

Description	Vesting Condit-ions	Exercise Price ($)	Grant Date	Vesting Date	Option Expiry Dates	Share Price at grant date ($)	Expected price volatility of the Company's Shares	Risk Free Rate	Assessed Fair Value at Grant Date ($)
2018 LTI	Service	0.63	13-Sep-2017	13-Sep-2021	13-Sep-2024	0.634	75.90%	1.93%	0.403
2018 LTI	Service	0.82	15-Nov-2017	15-Nov-2021	15-Nov-2024	0.815	75.90%	1.93%	0.500
2018 LTI	Service	0.67	27-Apr-2018	27-Apr-2022	27-Apr-2025	0.674	75.90%	1.93%	0.410
2019 LTI	Service	0.51	31-Jul-2018	31-Jul-2022	31-Jul-2025	0.514	75.90%	1.93%	0.226
2019 LTI	Service	0.23	12-Mar-2019	1-Jan-2023	1-Jan-2026	0.230	52.70%	2.36%	0.103
2020 LTI	Service	0.15	11-Nov-2019	1-Oct-2023	11-Nov-2026	0.150	73.45%	2.62%	0.089
2020 LTI	Service	0.17	2-Jan-2020	11-Oct-2023	2-Jan-2027	0.170	73.45%	2.62%	0.089
2020 LTI	Service	0.04	8-Apr-2020	8-Apr-2024	8-Apr-2027	0.040	73.45%	2.62%	0.020
2021 LTI	Service	0.08	28-Oct-2020	28-Oct-2024	28-Oct-2027	0.084	75.00%	0.02%	0.049
2021 LTI	Service	0.13	1-Dec-2020	1-Dec-2023	1-Dec-2027	0.130	75.00%	0.02%	0.063
2021 LTI	Service	0.12	7-Apr-2021	1-Feb-2025	7-Apr-2028	0.120	75.00%	0.02%	0.068
2021 LTI	Service	0.137	16-Apr-2021	16-Apr-2025	1-Mar-2025	0.137	75.00%	0.02%	0.080
2021 LTI	Service	0.11	18-Jun-2021	17-Jun-2025	18-Jun-2028	0.112	75.00%	0.02%	0.060
2022 LTI	Service	0.18	11-Nov-2021	1-Sep-2026	11-Nov-2028	0.177	81.00%	0.83%	0.110
2022 LTI	Service	0.14	4-Apr-2022	1-Feb-2026	4-Apr-2029	0.144	81.00%	0.83%	0.086
2022 LTI	Service	0.09	6-Jun-2022	1-Jun-2026	6-Jun-2029	0.085	81.00%	0.83%	0.053
2023 LTI	Service	0.06	10-Sep-2022	9-Sep-2026	10-Sep-2029	0.062	84.39%	3.54%	0.042
2023 LTI	Service	0.06	13-Mar-2023	16-Feb-2027	13-Mar-2030	0.058	83.70%	4.17%	0.046
2023 LTI	Service	0.16	13-Jun-2023	1-Jun-2027	13-Jun-2030	0.156	83.70%	4.17%	0.083
2024 LTI	Service	0.07	20-May-2024	20-May-2025	20-May-2031	0.070	85.34%	4.12%	0.046
2024 LTI	Service	0.07	26-Jun-2024	1-May-2028	26-Jun-2031	0.070	85.34%	4.12%	0.046

The inputs used in the measurement of the fair values of Performance Rights granted are as follows:

Description	Vesting Conditions	Exercise Price	Grant Date	Vesting Date	Expiry Dates	Share Price at grant date	Expected price volatility of the Company's Shares	Risk Free Rate	Assessed Fair Value at Grant Date
2022 LTI	TSR	-	11-Nov-2021	11-Nov-2024	11-Nov-2024	0.175	-	-	0.175
2023 LTI	Cash flow breakeven	-	13-Mar-2023	30-Jun-2025	13-Jun-2026	0.058	-	-	0.058
2023 LTI	TSR	-	14-Jun-2023	14-Jun-2028	14-Jun-2028	0.156	-	-	0.156

d) Equity-settled transactions

The Group provides benefits to certain employees and consultants in the form of share-based payments, whereby employees and consultants render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of equity-settled transactions is measured by reference to the fair value of the equity instruments at the date they are granted. The fair value is determined using a Black Scholes valuation model.

In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of ImpediMed Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service condition are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the statement of comprehensive income is the product of:

- The grant date fair value of the award;
- The current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and
- The expired portion of the vesting period.

The charge to the statement of comprehensive income for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding entry to equity.

Equity-settled awards granted by the Parent to employees of subsidiaries are recognised in the Parent's separate financial statements as an additional investment in the subsidiary with a corresponding credit to equity. As a result, the expense recognised by ImpediMed Limited in relation to equity-settled awards only represents the expense associated with grants to employees of the parent. The expense recognised by the Group is the total expense associated with all such awards.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition is considered to vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

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5. Assets and liabilities relating to contracts with customers

The Group's accounting policy relating to trade and other receivables is detailed in Note 6.3.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Fulfillment costs relate to the cost of the device directly related to each device included in a sale of Sozo revenue contracts with customers. These costs are recognised in Cost of Goods Sold over the same contract term as the revenue from the related contract.

Assets related to contracts with customers are as follows:

	2024			2023		
	Current $000	Non-current $000	Total $000	Current $000	Non-current $000	Total $000
Trade and other receivables (Note 6.3)	**1,939**	**-**	**1,939**	2,396	-	2,396
Contract assets, split as follows:						
Contract assets	**395**	**-**	**395**	541	-	541
Fulfilment Costs	**160**	**-**	**160**	-	-	-
Total contract assets	**555**	**-**	**555**	541	-	541
Total assets related to contracts with customers	**2,494**	**-**	**2,494**	2,937	-	2,937

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group completes the performance obligations under the contract. Contract liabilities expected to be realised within 12 months of the reporting period are classified as current.

Liabilities related to contracts with customers are as follows:

	2024			2023		
	Current $000	Non-current $000	Total $000	Current $000	Non-current $000	Total $000
Contract liabilities	**1,494**	**695**	**2,189**	1,031	422	1,453
Total liabilities related to contracts with customers	**1,494**	**695**	**2,189**	1,031	422	1,453

Amounts recognised as revenue in the current period included in contract liabilities at the beginning of the year totaled $956,118 (2023: $1,396,000).

6. Financial assets and liabilities

6.1 Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments presented at market value that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the consolidated financial statements

For the year ended 30 June 2024

a) Cash and cash equivalents

	2024 $000	2023 $000
Cash at bank and on hand	**6,244**	32,162
Short-term deposits	**18,388**	13,548
Total cash and cash equivalents	**24,632**	45,710

b) Reconciliation of loss after income tax to net cash inflow from operating activities

	2024 $000	2023 $000
Net Loss After Tax	**(19,790)**	(20,521)
Adjustments for:		
Depreciation and amortisation expense	**2,253**	2,467
Share-based payment expense	**(680)**	754
Reversals of and amounts set aside for provisions	**(230)**	(646)
Unrealised foreign currency loss	**(19)**	327
Changes in net assets and liabilities:		
Decrease / (increase) in assets:		
Receivables	**1,181**	176
Inventories	**51**	115
Prepayments and other	**202**	(408)
Property, plant & equipment and intangible assets	**270**	(516)
(Decrease) / increase in liabilities		
Current payables	**115**	(894)
Other current and non-current employee provisions	**(1,437)**	(243)
Other current and non-current liabilities	**295**	1,340
Net cash used in operating activities	**(17,789)**	(18,049)

6.2 Other financial assets

	2024 $000	2023 $000
Restricted cash	**54**	78
Total other financial assets	**54**	78

The carrying amount approximates fair value because the interest rates applied are variable interest rates. Restricted cash relates to deposits on office leases.

6.3 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets, otherwise they are presented as non-current assets. Trade receivables are initially recognised at the transaction price of the revenue contract with customers, and subsequently measured at amortised cost using the effective interest method, less any allowance for

Notes to the consolidated financial statements

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expected credit losses. Trade receivables generally have 30-90 day credit terms and therefore are all classified as current. Due to the short-term nature of the receivables, their carrying amount is assumed to be the same as their fair value. A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

	2024 $000	2023 $000
Trade receivables	**1,939**	2,396
Allowance for expected credit losses	**(300)**	(312)
Interest receivable	**18**	62
R&D tax and other receivables	**991**	1,697
Total trade and other receivables	**2,648**	3,843

The Group has applied the simplified approach to measuring expected credit losses (ECL), which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. During the year, the Group recognised $173,000 (2023: $535,000) in expected credit losses. Movements in the provision for impairment loss were as follows:

	2024 $000	2023 $000
At July 1	**312**	136
Charge for the year	**173**	535
Amounts written off	**(184)**	(367)
Foreign exchange translation	**(1)**	8
At June 30	**300**	312

The remaining receivables past due, but not considered impaired, are actively assessed by management and viewed as recoverable. As at 30 June, the ageing analysis of trade receivables is as follows:

			Past due but not impaired		
	Total	Neither past due not Impaired	<30 days	30-60 days	>61 days
2024	**1,639**	**1,377**	**149**	**59**	**54**
2023	2,084	1,500	209	167	208

6.4 Trade and other payables

Trade payables and accruals are unsecured and non-interest bearing and normally settle on 30-90 days terms. Sales tax and other payables are non-interest bearing and normally have longer payment terms.

Trade payables and other payables are carried at amortised cost and, due to their short-term nature, are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect to the purchase of these goods and services.

	2024 $000	2023 $000
Trade payables and accruals	**1,096**	1,355
Sales commissions and other	**507**	847
Sales tax payable	**3**	25
Total trade and other payables	**1,606**	2,227

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6.5 Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used, residual guarantee, lease term, certainty of a purchase option, modification of the lease terms and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The weighted average lessee's incremental borrowing rate applied to lease liabilities was 3.03% (2023: 2.68%).

During the prior period the Company renewed/extended the lease agreements for its offices in Australia and the United States.

Lease liabilities	2024 $000	2023 $000
Current	**333**	300
Non-current	**810**	1,147
As at 30 June	**1,143**	1,447

Future lease payments	2024 $000	2023 $000
Within one year	**408**	387
After one year but not more than five years	**892**	1,270
Total future payments	**1,300**	1,657

7. Operating assets and liabilities

7.1 Inventories

Inventories are measured at the lower of cost and net realisable value. Inventory write-downs recognised as an expense in cost of sales were Nil (2023: Nil) for the Group.

Costs incurred in bringing each product to its present location and condition is accounted for as purchase cost on a first-in, first-out basis. The cost of purchase comprises the purchase price including import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), if applicable. Volume discounts and rebates are included in determining the cost of purchase.

A provision for inventory obsolescence is recorded when it is determined the net realisable value of inventory is lower than its cost. Factors contemplated in determining net realisable value are expected future usage, sales volumes and price and the age and nature of the inventory held.

Inventories comprise of the following:

	2024 $000	2023 $000
Raw materials (at cost)	**597**	615
Finished goods (at cost)	**582**	676
Consumables (at cost)	**24**	20
Provision for obsolete Inventory	**(444)**	(501)
Total inventories	**759**	810

7.2 Property, plant and equipment

i) Owned assets

All property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when it is replaced. All other repairs and maintenance are charged to the profit and loss statement during the reporting period in which they are incurred. Production tooling used to manufacture component parts qualifies as property, plant and equipment when the Company expects to use it during more than one year. Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the profit and loss statement.

ii) Depreciation

All assets have limited useful lives and are depreciated using the straight-line method over their estimated useful lives, or in the case of leasehold improvements, over the estimated useful life or lease term, whichever is shorter, taking into account residual values. Depreciation is expensed.

Depreciation is calculated on a straight line or diminishing value basis over the estimated useful life of the specific assets as follows:

Plant, machinery and equipment	1 – 10 years
Devices under lease or loan	3 years
Leasehold improvements	2 – 5 years

The assets' residual values, useful lives and depreciation methods are reviewed at least annually and adjusted prospectively, if appropriate.

iii) Impairment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. Non-financial assets, other than intangibles, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

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Total property, plant and equipment at net book value:

Year ended 30 June 2024	Leased, demo and loan devices $000	Leasehold improvements $000	Property and machinery $000	Computer equipment $000	Total $000
Opening net book amount	**61**	**5**	**417**	**56**	**539**
Additions	-	-	-	33	33
Transfers from inventory	**41**	**-**	**-**	**-**	**41**
Depreciation charge for the year	**(49)**	**(1)**	**(171)**	**(44)**	**(265)**
Effect of foreign exchange	**1**	**-**	**1**	**-**	**2**
Closing net book amount	**54**	**4**	**247**	**45**	**350**
At 30 June 2024					
Cost	**1,944**	**191**	**1,223**	**892**	**4,250**
Accumulated depreciation	**(1,890)**	**(187)**	**(976)**	**(847)**	**(3,900)**
Net book amount 30 June 2024	**54**	**4**	**247**	**45**	**350**

Year ended 30 June 2023	Leased, demo and loan devices $000	Leasehold improvements $000	Property and machinery $000	Computer equipment $000	Total $000
Opening net book amount	130	10	35	84	259
Additions	-	-	478	22	500
Disposals	(1)	-	-	-	(1)
Transfers from inventory	63	-	-	-	63
Depreciation charge for the year	(131)	(6)	(95)	(52)	(284)
Effect of foreign exchange	-	1	(1)	2	2
Closing net book amount	**61**	5	417	56	539
At 30 June 2023					
Cost	1,921	191	1,228	865	4,205
Accumulated depreciation	(1,860)	(186)	(811)	(809)	(3,666)
Net book amount 30 June 2023	61	5	417	56	539

7.3 Right of use assets

i) Right of use assets recognition

A right-of-use asset is recognised at the commencement date of a lease. If there is a lease modification, the asset value is adjusted accordingly. The right-of use asset comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are subject to impairment and adjusted for any remeasurement of lease liabilities.

ii) Depreciation

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life.

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iii) Impairment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. Non-financial assets, other than intangibles, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Right of use assets - premises	2024 $000	2023 $000
As at 1 July	**1,412**	159
Additions (i)	**-**	1,547
Depreciation	**(314)**	(294)
As at 30 June	**1,098**	1,412

7.4 Intangible assets and goodwill

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets related to software development have been capitalised in accordance with AASB 138 Intangible Assets. Other internally generated intangible assets are not capitalised and expenditure is recognised in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least annually.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with useful lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level consistent with the methodology outlined for goodwill below. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for prospectively.

Notes to the consolidated financial statements

For the year ended 30 June 2024

A summary of the policies applied to the Group's intangible assets is as follows:

	Software & patents and licenses	Development costs
Useful lives	Finite	Finite
Method used	Amortised over the period of expected future benefit from the related project on a straight-line basis	Amortised over the period of expected future benefit from the related project on a straight-line basis
Internally generated / acquired	Acquired	Internally generated
Impairment test / recoverable amount test	When an indication of impairment exists	When an indication of impairment exists

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is de-recognised.

Expenditures on advertising and promotional expenses are recognised in the statement of comprehensive income when the Group has either the right to access the goods or has received the services.

i) Development costs

The Group capitalises certain costs related to the development of medical technology software in accordance with AASB 138 Intangible Assets.

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an internal project is recognised only when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Its intention to complete and its ability to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of resources to complete the development.
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following initial recognition, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure capitalised is amortised over the period of expected benefit from the related project.

Intangible assets related to development costs have been assessed as having a finite life and are amortised using the straight-line method over a period of three or five years, based on the expected economic life of the assets. The amortisation has been recognised in the statement of comprehensive income in the line item "depreciation and amortisation". If an impairment indication arises, impairment testing is undertaken.

The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use or more frequently when an indication of impairment arises during the reporting period.

ii) Software

The Group's software intangible primarily includes the Group's investment in its Quality Management System, Enterprise Resource Planning system and Customer Relationship Management system.

Software costs are carried at cost less accumulated amortisation and accumulated impairment losses. The intangible asset has been assessed as having a finite life and is amortised using the straight-line method over a period of three or four years. The amortisation has been recognised in the statement of comprehensive income in the line item "depreciation and amortisation". If an impairment indication arises, the recoverable amount is estimated, and an impairment loss is recognised to the extent that the recoverable amount is lower than the carrying amount.

Notes to the consolidated financial statements

For the year ended 30 June 2024

iii) Patents and licenses

The Group holds three licenses and numerous patents. All patents and licenses are carried at cost less accumulated amortisation and impairment losses. These intangible assets have been determined to have a finite life and are amortised using the straight-line method over a useful life of between five and twenty years. The amortisation has been recognised in the statement of comprehensive income in the line item “depreciation and amortisation”. Patents and licenses are subject to impairment testing whenever there is an indication of impairment.

No impairment loss has been recognised for the years ended 30 June 2024 or 2023.

Goodwill

Goodwill acquired in a business combination is initially measured at cost of the business combination being the excess of the consideration transferred over the fair value of the Group’s net identifiable assets acquired and liabilities assumed. If this consideration transferred is lower than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised in profit and loss.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash generating units, or groups of cash generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which goodwill is monitored for internal management purposes and is not larger than an operating segment determined in accordance with AASB 8. The goodwill of the Group is allocated to the Medical cash generating unit which is the only unit under the Medical Segment.

Impairment is determined by assessing the recoverable amount of the cash generating unit or group of cash generating units to which the goodwill relates.

The Group performs its impairment testing as at 30 June each year and more frequently if indicators of impairment exist, using the value in use (VIU), discounted cash flow methodology.

When the recoverable amount of the cash-generating unit or group of cash generating units is less than the carrying amount, an impairment loss is recognised.

Impairment losses recognised for goodwill are not subsequently reversed. When goodwill forms part of a cash generating unit or group of cash generating units and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

The movements during the years ended 30 June 2024 and 2023 were solely due to movements in foreign exchange rates.

Impairment Tests for Goodwill and Intangible Assets with Indefinite Useful Lives

Description of the Group’s cash generating units (CGUs)

At 30 June 2024, the Group has only one (2023: one) CGU, the Medical CGU, which relates to the Medical operating segment. During the current period, the key focus of the Medical CGU was the sale of devices for the subclinical assessment of lymphoedema in cancer survivors, though it also includes the sale of devices used in body composition, and other areas of fluid status measurement. The Medical CGU is the core business of the Group and the part of the business forecasting substantial growth. There was no impairment in financial years 2024 and 2023.

Impairment testing

Impairment testing has been performed by reviewing the carrying amounts of net assets and by calculating the value in use (VIU) of the CGU.

Notes to the consolidated financial statements

For the year ended 30 June 2024

The VIU cash flow model is based on a five-year period which analyses the net present value of cash flows using a 12.5% (2023: 12.5%) discount rate. The cashflows for the five-year period are based on operating plans and forecasts approved by the Board, which consider the size of markets available to the Group, and then a long-term growth rate of 3% is used. In order to calculate the discount rate for use in the VIU cash flow model, the Group used a weighted average cost of capital (WACC) method. The Group currently has no debt. Due to the inherent risk related to future cash flows, management has assessed the breakeven discount rate at 30 June 2024 to be 26.1% (2023: 26.2%).

The group also considers the fair value with reference to the market capitalisation of the Group. The market capitalisation of the Group at 30 June 2024 was approximately $146 million (30 June 2023: $363 million), which exceeded the net assets recorded (including goodwill) by approximately $105 million (30 June 2023: $302 million).

Total intangible assets at net book value

Year ended 30 June 2024	Development costs $000	Other software $000	Patents & licenses $000	Goodwill $000	Total $000
Opening net book amount	12,036	-	6	2,730	**14,772**
Additions (i)	2,940	-	-	-	**2,940**
Amortisation	(1,671)	-	(3)	-	**(1,674)**
Effect of foreign exchange	-	-	1	(13)	**(12)**
Closing net book amount (net of accumulated amortisation and impairment)	**13,305**	**-**	**4**	**2,717**	**16,026**
At 30 June 2024					
Cost	21,371	498	37	2,717	**24,623**
Accumulated amortisation and impairment	(8,066)	(498)	(33)	-	**(8,597)**
Net carrying amount 30 June 2024	**13,305**	**-**	**4**	**2,717**	**16,026**

Year ended 30 June 2023	Development costs $000	Other software $000	Patents & licenses $000	Goodwill $000	Total $000
Opening net book amount	8,728	-	8	2,630	11,366
Additions (i)	5,227	-	-	-	5,227
Amortisation	(1,919)	-	(3)	-	(1,922)
Effect of foreign exchange	-	-	1	100	101
Closing net book amount (net of accumulated amortisation and impairment)	12,036	-	6	2,730	14,772
At 30 June 2023					
Cost	18,431	500	38	2,730	21,699
Accumulated amortisation and impairment	(6,395)	(500)	(32)	-	(6,927)
Net carrying amount 30 June 2023	12,036	-	6	2,730	14,772

(i) Additions of development costs (salaries plus external consultants) relate to internally generated and developed SOZO software as well as the development of SOZO Pro hardware.

Notes to the consolidated financial statements

For the year ended 30 June 2024

7.5 Provisions

a) General

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefit will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date using a discounted cash flow methodology. The risks specific to the provision are factored into the cash flows and as such a risk-free government bond rate relative to the expected life of the provision is used as a discount rate. The increase in the provision resulting is recognised as a finance cost.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

b) Warranty provision

A provision for warranty is recognised for expected warranty claims on products sold during the last year, based on experience of the level of repairs and returns on a one-year warranty period that is generally given for products sold. It is expected that these costs will be incurred during the next financial year.

c) Make good provision

To comply with office lease agreements, the Group must restore leased premises to the original condition at the end of each premise's respective lease term. Because of the nature of the liability, the greatest uncertainty in estimating the provision is the cost that will ultimately be incurred.

Provisions as at the reporting date:

	2024			2023		
	Current $000	Non-current $000	Total $000	Current $000	Non-current $000	Total $000
Warranty	**67**	**-**	**67**	59	-	59
Make good	**-**	**28**	**28**	-	27	27
Total provisions	**67**	**28**	**95**	59	27	86

8. Financial risk management

The Group is exposed to a variety of financial risks, including market risk (comprising interest rate risk and foreign currency risk), credit risk and liquidity risk.

The Board has overall responsibility for the Group's risk management framework. Responsibility for the development and implementation of controls to address risks is assigned to the Audit and Risk Management Committee. The responsibility is supported by the development of standards, policies and procedures for the management of these risks. The financial risk management policies of the Group are consistent with prior periods. Management has identified that interest rate risk and foreign currency risk are material to the Group.

8.1. Market risk

Market risk is the risk that changes in market prices will affect the Group's financial performance.

Notes to the consolidated financial statements

For the year ended 30 June 2024

a) Interest rate risk

The Group's main interest rate risk arises from the cash reserves in the operating bank accounts and short-term deposits, which expose the Group to cash flow interest rate risk.

Exposure

The Group's exposure to interest rate risk is summarised below:

	2024 $000	2023 $000
Financial assets		
Cash and cash equivalents	**24,632**	45,710
Restricted cash - current and non-current	**54**	78
Net exposure	**24,686**	45,788

The Group does not enter into interest rate swaps, designated to hedge underlying assets or debt obligations, to manage the interest rate risk. The Group consistently analyses its interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative financing, and the mix of fixed and variable interest rates.

Sensitivity

At 30 June 2024, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post-tax loss and equity would have been affected as follows:

	Post tax loss Higher / (Lower)	
	2024 $000	2023 $000
+1.0% (100 Basis Points)	**247**	458
-0.5% (50 Basis Points)	**(123)**	(229)

The movements in loss are due to higher/lower interest income from variable rate cash balances. Reasonably possible movements in interest rates were determined based on the Group's current credit rating and relationships with financial institutions and economic forecaster's expectations.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expenses are denominated in a currency other than the Group's functional currency) and the Group's net investments in foreign subsidiaries. The group does not enter into any forward contracts or any other instrument to hedge the currency exposure, as the Group maintains a significant portion of available funds in USD to match USD expected expenses.

Exposure

Whilst the Group has operations in Europe, the amounts that are sensitive to foreign currency risk are deemed immaterial, other than the financial assets denoted.

Notes to the consolidated financial statements

For the year ended 30 June 2024

At 30 June, the Group had the following exposure to foreign currency:

	2024 $000	2023 $000
Financial assets		
Cash and cash equivalents – USD	**20**	148
Cash and cash equivalents – EUR	**49**	92
Cash and cash equivalents – GBP	**108**	58
Trade and other receivables – EUR	**-**	15
	177	**313**
Financial liabilities		
Trade and other payables – USD	**(3)**	(1)
Net exposure	**174**	312

Sensitivity

At 30 June 2024, had the Australian dollar moved against the US dollar, as illustrated in the table below, with all other variables held constant, post-tax loss and equity would have been affected as follows:

	Post tax loss Higher / (Lower)	
	2024 $000	2023 $000
AUD to Foreign Currency +15% (2024: +15%)	**(23)**	(41)
AUD to Foreign Currency -15% (2023: -15%)	**25**	66

The foreign currency exposure sensitivity analysis considered reasonable possible movements in foreign exchange rates based on review of the last two years' historical movements and economic forecasters' expectations. The movement was calculated by taking the USD spot rates at balance date, moving this spot rate by the reasonable possible movements and then re-converting the USD into AUD with the "new spot-rate". This methodology reflects the translation methodology undertaken by the Group. The sensitivity analysis does not include financial instruments that are non-monetary items as these are not considered to give rise to currency risk.

Sensitivities were only calculated on USD balances in instances where the functional currency is not the USD.

8.2 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, and credit exposure to customers. The maximum exposure to credit risk as at the reporting date is the carrying amount of the financial assets as described in Note 6. The Company's exposure to credit risk is influenced mainly by the type and characteristics of individual customers.

Risk management

The Group seeks to trade only with recognised, creditworthy third parties, and as such collateral is typically not requested nor is it the Group's policy to securities its trade and other receivables. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's experience of bad debts is not significant.

Credit quality

There are no significant concentrations of credit risk within the Group and $75,000 in outstanding term deposits were held at the end of the financial year (2023: $1,500,000). The Group holds a large percentage of cash in money market accounts through Bank of America in the US. These accounts are not federally insured but are highly rated and highly regulated investment funds that carry low risk of default.

8.3 Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are invested in short- and medium-term instruments which are tradeable in highly liquid markets.

At the end of the reporting period, the Group held short-term deposits of $18,388,000 (2023: $13,548,000) that are expected to readily generate cash inflows, as well as cash at bank of $6,244,000 (2023: $32,162,000) that is readily available for managing liquidity risk.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for financial liabilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases. The Group has no bank overdrafts or bank loans at 30 June 2024.

The table below reflects all contractually fixed payments and receivables for settlement, repayments and interest resulting from recognised financial assets and liabilities without fixed amount or timing are based on the conditions existing at 30 June 2024.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Year ended 30 June 2024	≤ 6 months $000	6 – 12 months $000	1 – 5 years $000	Total $000
Financial assets				
Cash and cash equivalents	24,632	-	-	**24,632**
Trade and other receivables	2,648	-	-	**2,648**
Other financial assets	-	-	54	**54**
Subtotal	**27,280**	**-**	**54**	**27,334**
Financial liabilities				
Trade and other payables	(1,603)	(3)	-	**(1,606)**
Lease liabilities	(166)	(167)	(810)	**(1,143)**
Net	**25,511**	**(170)**	**(756)**	**24,585**

Year ended 30 June 2023	≤ 6 months $000	6 – 12 months $000	1 – 5 years $000	Total $000
Financial assets				
Cash and cash equivalents	45,710	-	-	45,710
Trade and other receivables	3,843	-	-	3,843
Other financial assets	-	-	78	78
Subtotal	49,553	-	78	49,631
Financial liabilities				
Trade and other payables	(2,202)	(25)	-	(2,227)
Lease liabilities	(150)	(150)	(1,147)	(1,447)
Net	47,201	(175)	(1,069)	45,957

Notes to the consolidated financial statements

For the year ended 30 June 2024

9. Capital structure

9.1 Capital and reserves

a) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Movements in ordinary share capital:

	Number of shares	$000
At 30 June 2022	1,777,967,235	307,558
Issue of ordinary shares from capital raisings	230,769,442	30,022
Issue of ordinary shares under the equity share plans (i)	8,853,998	-
Issue of ordinary shares from the exercise of employee awards	377,500	-
Transactions costs	-	(1,493)
At 30 June 2023	2,017,968,175	336,087
Issue of Ordinary Shares under the Equity Share Plans (i)	1,649,192	-
Issue of Ordinary Shares from the exercise of employee awards	3,476,551	60
At 30 June 2024	**2,023,093,918**	**336,147**

(i) Shares issued under the equity share plans relate to remuneration paid to Non-executive Directors and Executives in lieu of cash.

b) Reserves

Share-based payment reserve

The share-based payments reserve is used to record the fair value at grant date of performance rights and options issued as detailed in Note 4.3 less any payments made to meet the Company's obligations through the acquisition of shares on market, together with income taxes on such payments.

Equity escrow reserve

The equity escrow reserve is used to record the value of share-based payments to participants under the Executive Share Plan and the Non-executive Director Share Plan. These plans enable executives and Directors to receive a part of their base salary or fees as equity in lieu of cash. Further details of these plans are provided in Note 4.3.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

9.2 Capital management

The Board and management controls the capital of the Group to ensure that the Group can fund its operations and continue as a going concern.

The Group's capital includes ordinary share capital and financial liabilities supported by financial assets. There are no externally imposed capital requirements. The Board and management effectively manage the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and the risk in the market. These responses include the management of share issues.

Notes to the consolidated financial statements

For the year ended 30 June 2024

10. Other notes

10.1 Parent entity information

As at and throughout the financial year ended 30 June 2024, the parent entity of the Group is ImpediMed Limited.

The individual financial statements for the parent entity show the following aggregate amounts:

	2024 $000	2023 $000
Current assets	**6,404**	34,010
Total assets	**41,487**	68,691
Current liabilities	**1,026**	1,064
Total liabilities	**58,432**	53,784
Shareholder's equity		
Issued capital	**336,147**	336,087
Accumulated losses	**(380,319)**	(349,088)
Performance share reserve	**4,807**	5,506
Share option reserve	**22,420**	22,402
Total equity	**(16,945)**	14,907
Loss for the year	**(31,232)**	(11,588)
Total comprehensive loss	**(31,232)**	(11,588)

The Parent entity invests capital into its wholly owned subsidiaries in anticipation the subsidiaries will create profits in future periods and therefore the Parent entity will recoup these investments over time.

The Parent has not entered into any guarantees in relation to the debts of its subsidiaries. The Parent has not entered into any contractual commitments for the acquisition of property, plant or equipment.

The accounting policies of the parent entity are consistent with the Group except for Investment in controlled entities which is carried in the parent company financial statements at the lower of cost or recoverable amount.

10.2 Controlled entities

ImpediMed Limited is the ultimate Australian parent entity and the consolidated financial statements of the Group include:

Name	Principal activities	Country of incorporation	Equity interest 2024	Equity interest 2023
ImpediMed Incorporated	Manufacture and sale of BIS systems and software services	United States	**100%**	100%
ImpediMed Hellas	Development of BIS systems and software	Greece	**100%**	100%
ImpediMed TM Incorporated	Dormant	United States	**100%**	100%

Notes to the consolidated financial statements

For the year ended 30 June 2024

10.3 Related party transactions

Directors and Key Management Personnel compensation:

	2024 $000	2023 $000
Short-term employee benefits (i)	**3,646**	2,991
Post-employment benefits	**84**	64
Share-based payments	**(831)**	348
Total compensation	**2,899**	3,403

(i) Short-term employee benefits include salaries and wages, short-term incentives earned during the period, other one-time short-term incentives, severances, and non-monetary benefits such as insurance benefits.

Detailed remuneration disclosures are provided in the remuneration report on pages 22 to 36.

For the year ended 30 June 2024, and for the prior year, other than the above compensation payments, no transactions with Directors occurred that would be considered related party transactions.

Interests Held by Key Management Personnel

Share options and performance rights held by KMP, under the EIP and ESOP to purchase ordinary shares, have the following expiry dates and exercise prices:

Grant type	Expiry date	Exercise Price		2024
Share Options	15-Nov-2024	$	0.82	**230,000**
Share Options	1-Mar-2025	$	0.08 – 0.15	**1,772,750**
Share Options	16-Apr-2025	$	0.08 – 0.51	**2,419,613**
				4,422,363

Grant type	Vest date	Exercise Price	2024
Performance Rights	N/A	N/A	**Nil**

10.4 Remuneration of auditor

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, Ernst & Young Australia:

	2024 $000	2023 $000
Fees for auditing the statutory financial report of the parent covering the Group and auditing the statutory financial reports of any controlled entities	**255**	240
Total fees	**255**	240

10.5 Commitments and contingencies

At 30 June 2024, the Group has commitments of $2.9 million (2023: $1.8 million) primarily relating to the funding of future product builds but also advertising, promotional activities, and other activities.

At 30 June 2024, the Group has no provisions provided in relation to legal claims. The Group had no contingent liabilities as at 30 June 2024 or 2023 and does not provide any cross guarantees.

Notes to the consolidated financial statements

For the year ended 30 June 2024

10.6 Events occurring after the balance date

Following the appointment of the CEO and CF&OO on an ongoing basis, on 28 August 2024, shareholders approved an award of Options and Performance Rights. Details of the award are set out in the Remuneration Report on page 26.

No other matters or circumstances that have arisen since 30 June 2024 that have significantly affected, or may significantly affect:

a) The Group's operations in the current of future financial years;
b) The results of those operations in the current of future financial years; or
c) The Group's state of affairs in the current or future financial years

Consolidated entity disclosure statement

As at 30 June 2024

The ultimate controlling entity of the ImpediMed Group is ImpediMed Limited, otherwise described as the parent company. Outlined below is the Group's consolidated entity disclosure statement as at 30 June 2024 prepared in accordance with the Corporations Act 2001 (Cth). No entities are trustees, partners or participants in joint ventures.

Entity name	Entity type	Country of incorporation	% of share capital held	Country of tax residence
ImpediMed Limited	Body Corporate	Australia		**Australia**
Controlled entities (wholly owned) of ImpediMed Limited:				
ImpediMed Incorporated	Body Corporate	United States	100%	**United States**
ImpediMed Hellas	Body Corporate	Greece	100%	**Greece**
ImpediMed TM Incorporated	Body Corporate	United States	100%	**United States**

Directors' declaration

Directors' Declaration

For the year-ended 30 June 2024

1. In the opinion of the Directors:
   - (a) The financial statements and notes of the consolidated entity for the year-ended 30 June 2024 are in accordance with the Corporations Act 2001, including:
     - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance of the year-ended on that date; and
     - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
   - (b) the consolidated financial statements and notes also comply with the International Financial Reporting Standards as disclosed in Note 1.2;
   - (c) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act 2001 is true and correct; and
   - (d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001.

3. This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board

Fiona Bones
Director

Sydney, 29 August 2024

Independent Auditor's Report to members of ImpediMed Limited

Building a better working world

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Independent auditor's report to the members of ImpediMed Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of ImpediMed Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1.2c in the financial report, which describes the principal conditions about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report. For the matter below, our description of how our audit addressed the matter is provided in that context.

Independent Auditor's Report to members of ImpediMed Limited

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We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Revenue recognition

Why significant	How our audit addressed the key audit matter
The Group recognised revenue totalling \$10.3 million from the sale of subscription services and sale of legacy devices and consumables for the year ended 30 June 2024. As disclosed in *Note 2.1 Revenue from Contracts with Customers* to the financial statements, the Group has different types of contracts with customers There is judgement involved in the determination of the performance obligations which impacts the amount and timing of the recognition of revenue from contracts with customers. Accordingly, the matter was considered a key audit matter.	The audit procedures we performed included the following: ▸ Assessed the application of AASB 15 *Revenue from Contracts with Customers* including reviewing a sample of contractual terms of the existing, new and modified customer contracts and the application of the requirements of AASB 15; ▸ Selected a sample of revenue contracts and assessed whether the different elements within the contract result in revenue recognition over a period of time or at a point in time, in accordance with AASB 15; and ▸ For a sample of contracts, we recalculated the revenue recognised during the year based on the contractual terms and conditions and the revenue recognition policy of the Group. We also assessed the adequacy of the disclosures included in Note 2.1 to the financial statements.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

a. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and;

b. The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

c. for such internal control as the directors determine is necessary to enable the preparation of:

   i. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

   ii. The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report to members of ImpediMed Limited

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 24 to 36 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of ImpediMed Limited for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Independent Auditor's Report to members of ImpediMed Limited

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Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Madhu Nair
Partner
Brisbane
29 August 2024

Shareholder information

Additional information required under ASX Listing Rule 4.10 and not shown elsewhere in this Annual Report is as follows. This information is current as at 2 August 2024.

a) Distribution of shareholders

The distribution of Issued Capital is as follows:

Size of holding	Number of Shareholders	Ordinary Shares	% of Issued Capital
100,001 and over	1,505	1,927,484,314	95.28%
10,001 to 100,000	2,160	89,105,639	4.40%
5,001 to 10,000	564	4,466,959	0.22%
1,001 to 5,000	593	1,942,450	0.10%
1 to 1,000	351	94,556	0.00%
Total	**5,173**	**2,023,093,918**	**100%**

b) Distribution of Options holders (excluding employee incentive options)

The distribution of unquoted options on issue to shareholders are nil.

c) Distribution of Performance Rights holders

The distribution of unquoted Performance Rights on issue are:

Size of holding	Number of holders	Unlisted Performance Rights	% of Issued Capital
100,001 and over	12	7,603,000	0.04%
1 to 100,000	44	4,400,000	0.02%
Total	**56**	**12,003,000**	**0.06%**

d) Distribution of Employee Options

The distribution of unquoted options on issue are:

Size of holding	Number of holders	Unlisted Options	% of Issued Capital
100,001 and over	45	49,218,476	2.4%
1 to 100,000	23	845,000	0.0%
Total	**68**	**50,063,476**	**2.4%**

e) Less than marketable parcels of Ordinary shares

There are 1,278 shareholders with unmarketable parcels totaling 4,266,412 shares.

Shareholder information

f) 20 largest shareholders

Number	Shareholder	Number of Fully Paid Ordinary Shares	% of Issued Capital
1	CITICORP NOMINEES PTY LIMITED	177,180,440	8.76%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	164,419,200	8.13%
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	148,941,253	7.36%
4	NATIONAL NOMINEES LIMITED	115,304,879	5.70%
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	55,570,348	2.75%
6	BNP PARIBAS NOMS PTY LTD	34,426,377	1.70%
7	SUNLORA PTY LTD	32,125,000	1.59%
8	MOORE FAMILY NOMINEE PTY LTD	30,000,000	1.48%
9	MR HAMISH ALEXANDER JONES	23,538,705	1.16%
10	MBA INVESTMENTS PTY LTD	22,490,990	1.11%
11	MR GREGORY WAYNE BROWN	20,300,000	1.00%
12	MR STEPHEN EDWARD MAHNKEN & MRS DIOR LEONE MAHNKEN	19,000,000	0.94%
13	BNP PARIBAS NOMINEES PTY LTD	18,925,694	0.94%
14	PAKASOLUTO PTY LIMITED	16,011,422	0.79%
15	MR HSIEN MICHAEL SOO	15,662,797	0.77%
16	FIRST SAMUEL LTD ACN 086243567	15,281,508	0.76%
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	14,251,964	0.70%
18	BSD PTY LTD	13,495,000	0.67%
19	HME SOO HOLDINGS PTY LTD	12,320,921	0.61%
20	BNP PARIBAS NOMINEES PTY LTD	11,693,112	0.58%
	Total	960,939,610	47.50%
	Total Quoted Equity Securities	**2,023,093,918**	

g) Unlisted equity securities

The Group had the following unquoted securities on issue as at 2 August 2024: nil shareholder options, 50,063,476 options and 12,003,000 performance rights issued as part of an incentive scheme.

h) Substantial shareholders

The names of the Substantial Shareholders listed in the Group's Register as at 2 August 2024:

	Number of Fully Paid Ordinary Shares
Paradice Investment Management Pty Ltd	144,301,807
National Nominees Ltd ACF Australian Ethical Investment Ltd	122,513,808
Total	**266,815,615**

i) Restricted securities

The company had no restricted securities on issue as at 2 August 2024.

j) Voting rights

In accordance with the Constitution each member present at a meeting whether in person, or by proxy, or by power of attorney, or in duly authorised representative in the case of a corporate member, shall have one vote on a show of hands, and one vote for each fully paid ordinary share, on a poll.

Performance rights have no voting rights.

Shareholder information

k) On-market buy-backs

There is no current on-market buy-back in relation to the Company's securities.

Glossary

Abbreviation	Term
AASB	Australian Accounting Standards Board
ARR	Annual Recurring Revenue
AUD	Australian dollar
BIS	Bioimpedance Spectroscopy
BRCL	Breast Cancer Related Lymphoedema
CEO	Chief Executive Officer
CF&OO	Chief Financial and Operations Officer
Company or IPD	Impedimed Limited
EPS	Earnings per share
EUR	Euro
FY	Financial Year
IFRS	International Financial Reporting Standards
LTI	Long term Incentive
NED	Non-executive Director
ROW	Rest of World
STI	Short Term Incentive
TCV	Total Contract Value
TSR	Total Shareholder Return
USD	United States dollar

Other information

Corporate directory and information for investors

ImpediMed Limited
ABN 65 089 705 144

Directors
Christine Emmanuel-Donnelly
Janelle Delaney
Fiona Bones
Andrew Grant
Parmjot Bains
McGregor Grant

Company Secretary
Leanne Ralph

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Auditor
Ernst & Young
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Stock Exchange Listing
ImpediMed Limited shares are listed
on the Australian Securities Exchange
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Sydney NSW 2000

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AnnualReport
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