



22 February 2022

dorsaVi Half-Year Financial Results

Melbourne, Australia, 22 February 2022: dorsaVi (ASX:DVL) (dorsaVi or the Company) has today released its Appendix 4D half yearly accounts for the period ended 31 December 2021.

Key highlights

- dorsaVi records ~\$1.3m in total sales revenue for H1 FY22, representing a ~60% increase from the prior corresponding period (~\$788k in H1 FY21)
- Annualised recurring revenue of ~\$1.5m during H1 FY22, representing a ~7% increase from the prior corresponding period (~\$1.4m in H1 FY21)
- Retained a low-cost base through lean management strategy with ~\$491k cash used in operating activities for H1 FY22, down ~19% from ~\$607k in the prior corresponding period
- Landmark agreement with Medtronic extended for a third time, worth an additional ~\$233k and further validating dorsaVi's technology in the clinical space
- Demand for digital health solutions drives strong growth in the clinical market with clinical revenues growing ~87% from the prior corresponding period
- Promising outlook in the workplace market as site access resumes and sales pipeline is expanded with top tier organisations through channel partnership strategy
- Cash balance of \$2.1m as at 31 December 2021

Dr Andrew Ronchi, dorsaVi's Chief Executive Officer, commented:

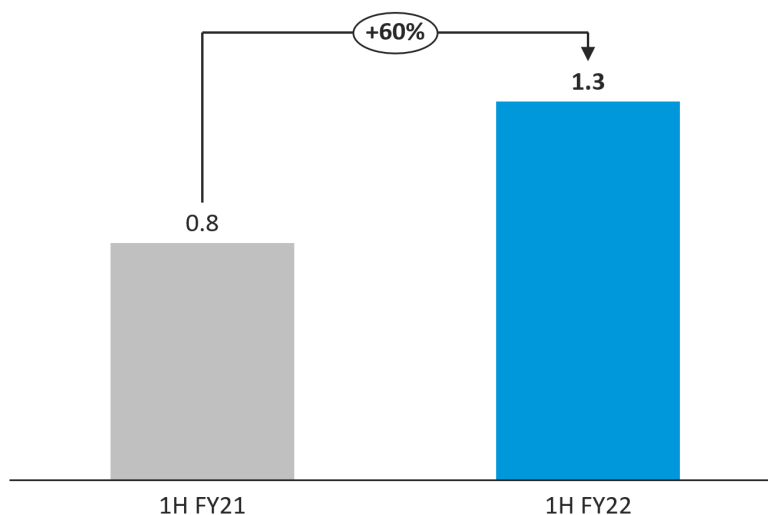
"We are pleased with the continued growth we have generated so far this financial year given the challenging environments we faced from ongoing lockdowns. Our strategic focus on targeting large-scale clients, while selectively investing for growth, has enabled us to grow revenues sustainably. We will continue to run lean and look to execute on our backlog of projects as people return to work and site access resumes. Our clinical business remains robust as we continue to grow our relationship with Medtronic and look forward to progressing this partnership further during the second half of the year. The investment in targeting top-tier clients and leveraging our channel partnership strategy has led to our sales pipeline being as strong as ever, and I am excited by the future opportunity."

Strategic execution delivering strong growth and lower costs

dorsaVi continues to build momentum coming out of the COVID environment with the third consecutive half-year of growth. The Company recorded ~\$1.3m of total sales revenue during H1 FY22, growing ~60% from the prior corresponding period (pcp) (~\$788k in H1 FY21) and 18% from the previous half (~\$1.1m in H2 FY21). The positive trend in sales revenue reflects key markets moving out of the lockdown environment and dorsaVi's strategic decision to target large scale institutions which are less sensitive to immediate market contractions.

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Figure 1: Total sales revenue (\$m)



In addition to dorsaVi's impressive revenue growth, the Company has continued to actively manage its cost base and reduced operating cash outflows by 19% on pcp. dorsaVi remains committed to retaining a low-cost base through its lean management strategy while actively assessing opportunities for investment in growth and product development.

dorsaVi was also pleased to record materially higher receipts from customers of ~\$1.6m for H1 FY22, representing a ~116% increase on pcp (~\$724k in H1 FY21) as revenues from previous quarters are realised.

Medtronic agreement extended

During the half-year, dorsaVi was pleased to extend the strategically important agreement with leading international healthcare firm Medtronic. The extension is worth an additional ~\$233k and aims to build on insights generated in the Master Service Agreement (MSA) (announced March 2021) to create a product customised for Medtronic's objectives. The ongoing partnership with a leading international healthcare organisation further validates dorsaVi's technology in the eyes of the wider clinical market as well as contributing financially with a total contract value of ~\$785k to date. The Company looks forward to strengthening this relationship during the next half-year.

Outlook in key markets

The clinical market has seen exciting growth during the half-year driven predominantly by an increased demand for digital health solutions and sophisticated sensor technology as the sector continues to become technologically enabled. dorsaVi was well placed to benefit from this trend and recorded ~\$938k in revenue from the clinical market in H1 FY22 growing ~87% on pcp (~\$503k in H1 FY21). With the rise of digitisation in the healthcare sector, dorsaVi looks forward to expanding its customer base of physical therapists who can care for their clients using the Company's leading sensor technology. dorsaVi has seen increased demand for its products and aims to capitalise on this opportunity by signing new contracts with both physical therapists across the United States and leading medical technology organisations.

In the workplace market, dorsaVi is pleased to report continued growth as employees return to the workplace and organisations have an increased need to improve health and safety outcomes. With several sites coming back online during the half-year, dorsaVi reported ~\$319k in revenue from the workplace market, growing ~12% on pcp (~\$285k in H1 FY21). Additionally, prolonged interruptions to site access caused by COVID have resulted in a substantial backlog of deals waiting to be executed and revenues realised. dorsaVi looks forward to executing on these deals in the near term while

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continuing to expand the sales pipeline further with top tier leads from its channel partnership strategy.

Corporate update

dorsaVi was pleased to announce the appointment of Troy Di Domenico as Chief Financial Officer during the half-year. Troy has already begun making a material contribution to the Company where his 25 years of experience are helping to develop and drive the Company's growth strategy. Further, Mr Greg Tweedly stepped down from his position as Chairman of the dorsaVi Board at the AGM during the half-year. dorsaVi thanks Mr Tweedly for his significant contribution to the Company during his tenure.

Financial update

dorsaVi remains well funded with a cash balance of \$2.1m as at 31 December 2021 which includes a \$418k Australian R&D tax rebate which was received during H1 FY22. Further, dorsaVi was pleased to confirm that the full balance of its two US Paycheck Protection Program (PPP) loans were forgiven during the half-year. These loans were initially received as part of the US government's COVID response and totalled \$217k USD

This release has been authorised for lodgement to the ASX by the Company's Finance Disclosure Committee.

– ENDS –

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About dorsaVi

dorsaVi Ltd (ASX: DVL) is an ASX listed company focused on developing innovative motion analysis device technologies for use in clinical applications, elite sports, and occupational health and safety. dorsaVi believes its wearable sensor technology enables, for the first time, many aspects of detailed human movement and position to be accurately captured, quantified, and assessed outside a biomechanics lab, in both real-time and real situations for up to 24 hours. dorsaVi's focus is on two major markets:

- **Workplace:** dorsaVi enables employers to assess risk of injury for employees as well as test the effectiveness of proposed changes to OHS workplace design, equipment or methods based on objective evidence. dorsaVi works either directly with major corporations, or through an insurance company's customer base with the aim of reducing workplace compensation and claims. dorsaVi has been used by major corporations including Sodexo, London Underground, Vinci Construction, Crown Resorts, Caterpillar (US), Monash Health, Coles, Woolworths, Toll, Toyota, Orora (formerly Amcor) and BHP Billiton.
- **Clinical:** dorsaVi is transforming the management of patients with its clinical solutions (ViMove, ViMove2 and Professional Suite) which provide objective assessment, monitoring outside the clinic and immediate biofeedback. The clinical market is broken down into physical therapy (physiotherapists), hospital in the home and elite sports. Hospital in the home refers to the remote management of patients by clinicians outside of physical therapy (i.e., for orthopaedic conditions). Elite sports refers to the management and optimisation of athletes through objective evidence for decisions on return to play, measurement of biomechanics and immediate biofeedback to enable peak performance.

Further information is available at www.dorsavi.com