ASX Announcement – 30 August 2024

RESULTS FOR THE FULL-YEAR ENDED 30 JUNE 2024

Highlights

- **Revenue of $8.6M, an increase of $4.2M or 95% on the prior corresponding period (PCP)**
- **Reported Normalised EBITDA of $0.69M, an increase of $1.5M or 183% on PCP**
- **[1]Normalised Operating EBITDA of $1.12M, an increase of $1.96M or 234% on the PCP**
- **Normalised Operating EBITDA margin of 13%**
- **Net positive operating cashflow of $1.39M, an increase of $1.54M or 983% on the PCP**
- **Earnings Per Share (EPS) 0.04 CPS an increase of 0.21 CPS on the PCP**
- **New clinical trial progressing well with $3.85M Invoiced during the period with the $2.48M balance of the contract to be invoiced in FY25**
- **Completed acquisition of TrialsWest and expanded with a new trial site opened in Aug 24**
- **Significant R&D tax rebate received during the period of $796K**
- **Net Cash position of $3.68M, with Cash at bank of $6.85M, and senior NAB debt facility of $3.2M fully drawn**
- **Strong growth opportunities for the 3 business streams, Software-as-Medical Device (SaMD) Clinical Trial Management, and Clinical Trial Site Services**

Resonance Health Ltd (ASX: RHT) (**Resonance** or **Company**) is pleased to release its full-year results for the year ended 30 June 2024 (FY24) and its Appendix 4E.

Financial & Operating Performance

Resonance achieved record revenue for the full year of $8.6M, an increase of $4.2M or 95% on the PCP. The second half of the year saw revenue growth continue with $5.3M compared to $3.3M in the first half. This was largely driven by revenues in connection with the clinical trial management agreement (**CTMA**) with a major global pharma company (see ASX release, 18 August 2023), and one month's contribution from the acquisition of TrialsWest Pty Ltd (**TrialsWest**) (see ASX release, 2 April 2024).

Growth is expected to continue in FY25 with the $2.5M balance of the CTMA expected to be invoiced, and discussions continuing about new trials, the full year contribution of TrialsWest, and growth in SaMD revenues.

Normalised operating EBITDA of $1.12M for the year was up 234% on the PCP. This includes an adjustment for $425K in one-off restructuring costs and transaction costs related primarily to the TrialsWest acquisition incurred in the period. See chart below for reconciliation of statutory net profit to normalised operating EBITDA.

[1] Normalised Operating EBITDA = Statutory Net Profit – (R&D tax credit, interest revenue, FX gain, share based payments) + (depreciation, amortisation & lease interest expense, and one-off restructuring & transaction costs)

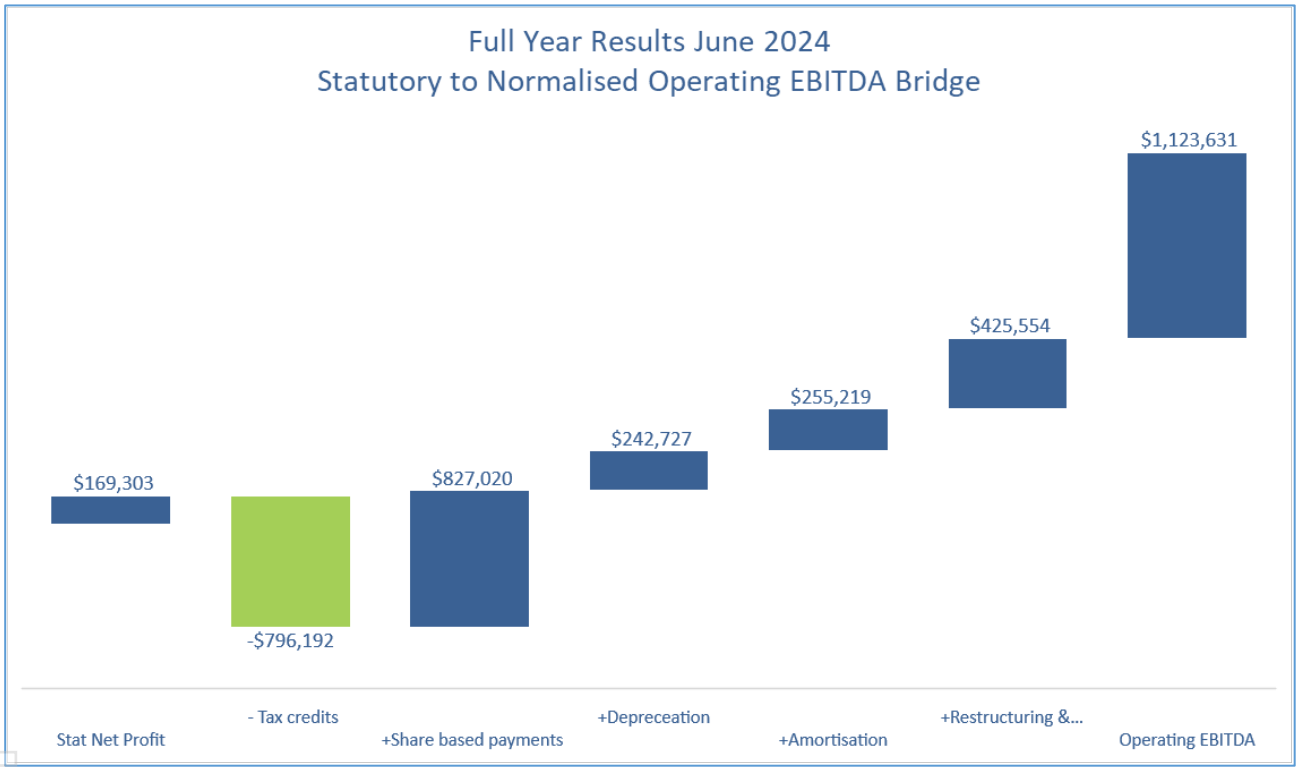
The Company received an R&D tax incentive refund of $796K during the second half and expects to lodge its claim for the FY24 period in the first half of FY25.

The Company cancelled 20M ordinary shares held as collateral for the Acuity facility during the half (see ASX release, 17 January 2024) which resulted in a 4.3% reduction in total shares on issue, emphasising the Company's commitment to future earnings per share (**EPS**) accretion.

EPS for the period grew to 0.04 cents per share (**CPS**) up 124% on PCP or 0.21 CPS.

The Company generated strong net positive operating cashflow of $1.39M and free cashflow[2] of $1M, with free cashflow to operating EBITDA conversion of 90%.

The Company's balance sheet remains strong with a cash balance of $6.85M at 30 June 2024 compared to $6.36M at 30 June 2023, and a net cash position of $3.68M after allowing for the $3.2M senior debt facility with NAB (**NAB Facility**) used to partially finance the acquisition of TrialsWest. The NAB Facility contributes to a more efficient use of the Company's balance sheet.



Major Milestones

The Company continues to progress its strategy of rapidly and profitably scaling up the business with the achievement of several major milestones.

In particular, the Company completed patient recruitment for the CTMA during August 2024. Resonance also achieved ongoing growth in SaMD analysis volumes and completed the acquisition of TrialsWest.

The Company's contract research organisation (**CRO**) business made impressive progress in running the CTMA clinical trial with patient recruitment completed on schedule in August 2024. This is an important milestone in the clinical trial and highlights the commitment of Resonance's highly credentialed team. To the end of June 2024, the Company had invoiced $3.85M in milestone payments with a total CTMA value of $6.33M. Discussions are continuing with customers about new trials.

[2] Free Cashflow = Net operating cashflow – interest received – tax paid – maintenance capex.

The global SaMD business continued to grow with analysis volumes continuing their upward trend along with a number a new customer sites setup globally. The development of Resonance's 'Non-Invasive MRI Liver Fibrosis' SaMD product continues to gather pace and progressed through part of its Extended Proof of Concept (**EPOC**). The markets for this product globally are significant, and conversations have commenced with several customers about the SaMD's potential early investigational use, upon completion of the EPOC.

The completion of the TrialsWest acquisition was achieved during the period. TrialsWest is one of Australia's most experienced and successful clinical research centres. It is notable that TrialsWest's performance in the last quarter of FY24 was above expectations, and the opening of its second trial site in Perth is expected to double capacity. The financial performance of TrialsWest improved significantly during the year with forecast FY24 EBITDA growing from an estimated $0.67M to $1.1M for the full year.

TrialsWest's expansion is expected to be a key driver of growth with both organic and acquisitive expansion expected in future periods.

Growth and Outlook

Resonance's renewed focus on servicing the clinical trials market is supported by robust growth in pharma clinical trial investment in international and domestic markets. The global clinical trials market is expected to grow significantly both domestically and internationally.

Andrew Harrison, CEO of Resonance, commented:

"I believe we will have another strong year of revenue growth in FY25 on the back of growing SaMD volumes and new products, the organic and acquisitive expansion of TrialsWest, and other opportunities for clinical trial management work. On a personal note, I have also invested alongside each of you, in September 2023 I acquired 8M RHT shares in an off-market transaction worth $580,000 at an average value of 7.25 cps giving me circa 2% of the Company's shares. I am very focussed on shareholder returns."

This announcement has been authorised for release in accordance with the delegated authority of the Board of Directors of Resonance Health Ltd. For further information please contact:

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About Resonance Health

Resonance Health is an Australian healthcare technology and services company. The Company's services are used globally by clinicians in the management of human diseases and by pharmaceutical and therapeutic companies in their clinical trials. Resonance Health has gained endorsement by leading physicians worldwide for providing high quality quantitative assessments essential in managing diseases and drug development.

Resonance Health's dedication to scientific rigour and quality has enabled it to achieve regulatory clearances for a range of Software-as-Medical Devices (**SaMDs**) in the USA, Europe, UK, and Australia, and to proudly carry ISO 13485 certification for the design and manufacture of medical devices. Regulatory cleared SaMD products, some of which incorporate Artificial Intelligence (**AI**), include:

- **FerriScan®,** a core-lab product that provides an accurate assessment of liver iron concentration (**LIC**) through non-invasive MRI-based technology, for use in the assessment of individuals with iron overload conditions. Internationally recognised as the gold standard in LIC assessment.

- **FerriSmart®,** an AI-trained, non-invasive MRI-based device for the automated real-time assessment of LIC in patients, calibrated against the global gold standard, FerriScan®.
- **HepaFatScan®,** an MRI-based solution which provides a reliable non-invasive assessment of liver-fat in liver tissue for use in the assessment of individuals with confirmed or suspected fatty-liver-disease.
- **HepaFatSmart ®,** an AI-trained, non-invasive device for the automated real-time multi-metric assessment of liver-fat in patients, for the assessment of individuals with confirmed or suspected fatty liver disease.
- **LiverSmart®,** an AI-trained, non-invasive MRI-based multi-parametric device combining FerriSmart® and HepaFat-AI® into a consolidated report providing accurate assessment of LIC and liver fat.
- **CardiacT2*,** the most widely accepted MRI method for assessing heart iron loading. Resonance Health offers a dual analysis of FerriScan® and CardiacT2*. CardiacT2* is TGA and CE Marking regulatory cleared.

The Company has a development pipeline of additional medical imaging analysis products and services, including the **MRI Liver Fibrosis Project**, aimed at accurately assessing the presence and progression of liver fibrosis utilising non-invasive MRI analysis.

The Company also has a clinical trials business which now includes site management operations after the announcement of the TrialsWest acquisition.

Stakeholders, including clinicians, patients, and shareholders, are encouraged to register their interest at www.resonancehealth.com and to follow Resonance Health on Facebook, LinkedIn, and Twitter.

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