

4DMedical makes significant progress across all areas of operations

FY22 Full Year Highlights

- Total income of \$13.37 million for FY2022, an increase of 132% from the previous year
- Other income of \$12.32 million, up 122% compared to the prior corresponding period
- Revenues from ordinary activities increased by 386% to \$1.05 million over the period
- Nationwide contract signed with I-MED, Australia's largest outsourced radiology provider
- First US clinical pilot at Providence St. Joseph Hospital in California commenced scanning
- Johns Hopkins COPD clinical trial results presented at American Thoracic Society conference
- XV Scanner, the world's first dedicated lung scanner, unveiled at Prince of Wales Hospital in Sydney
- Cash reserve of \$51.11 million with zero debt as at 30 June 2022

Melbourne, Australia, 31 August 2022: Respiratory imaging technology company 4DMedical Limited (ASX:4DX, "4DMedical", or the "Company") today announces its FY22 Full Year Results and Appendix 4E Cash Flow Report for the Full Year ended 30 June 2022 ("FY2022").

Financial year in review

The FY2022 net loss after tax for 4DMedical and its controlled entities (the Group or 4DMedical) was \$24.59 million, up \$3.17 million or 15% from the previous corresponding period (FY2021: \$21.42 million). Total FY2022 income for the Group was \$13.37 million, an increase of 132% from the prior year.

During FY2022, 4DMedical increased its revenue from ordinary activities by \$0.84 million or 386%, from \$0.22 million in the prior year to \$1.05 million, which includes Software-as-a-Service (SaaS) revenue, hardware sales and associated maintenance contracts.

Other income recorded by the Group for FY2022 was \$12.32 million, up 122% on prior corresponding period ("pcp"). Other income comprised R&D Tax Incentive credits of \$3.57 million and grant income of \$8.75 million, which includes \$8.46 million, under the Federal Government's Medical Research Future Fund Frontiers (MRFF) initiative.

Operating expenditure for FY2022 was \$37.03 million, up 51% on pcp (FY2021: \$24.46 million), driven by investment in research and development and its go to market capabilities to support commercialisation. After adjusting for expenditures directly funded by the MRFF grant, underlying operating expenditure was up 19% on pcp.

The Group reported a net cash balance of \$51.11 million as at 30 June 2022. 4DMedical received government grants and R&D Tax Incentive refunds valued at \$12.64 million during FY2022. The Company has a significant cash runway of at least six quarters which comprises the \$15.0 million in MRFF funds yet to be received and the existing strong cash balance of \$51.1 million.

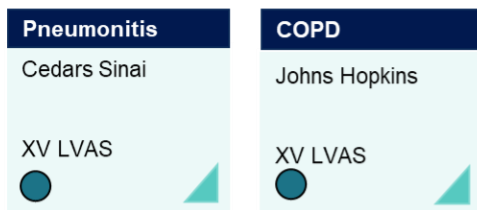
Clinical Trials

Clinical trials are a fundamental pillar of the Company’s commercialisation strategy. In addition to driving awareness of 4DMedical’s technology amongst the medical community, clinical trial data provide essential evidence for indication-specific use by clinicians.

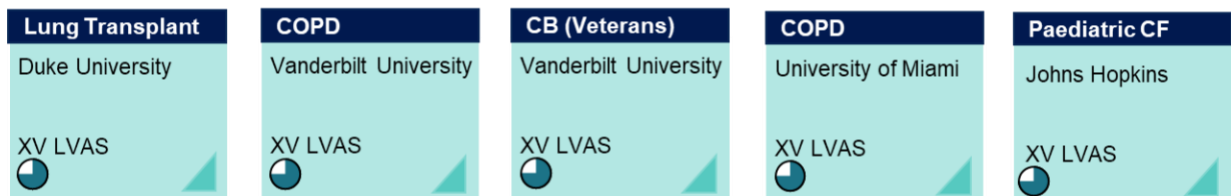
During the period, Johns Hopkins and University of Miami investigators presented findings from their COPD study. Results demonstrated that XV Technology® shows significant promise as a tool to phenotype or classify COPD disease, which is critical to optimising treatment therapies. COPD includes several progressive lung conditions, including emphysema, chronic bronchitis, and chronic asthma, which is the third leading cause of death worldwide.

4DMedical has another five clinical trials that have completed imaging and are undergoing analysis before publication. These trials have been undertaken at leading US hospitals, including Duke (Lung Transplant), University of Miami (COPD), Johns Hopkins (Cystic Fibrosis) and Vanderbilt (COPD and Constrictive Bronchiolitis).

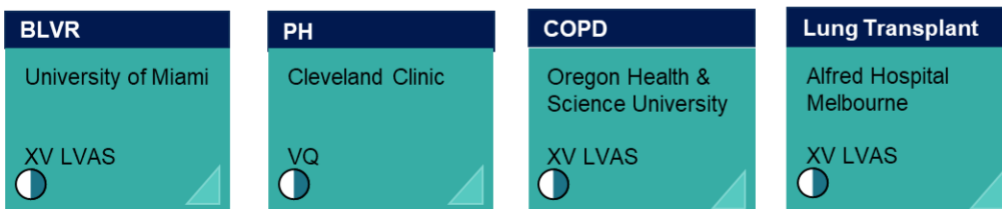
Completed Studies



Progressing Studies – Imaging Complete



Progressing Studies – Imaging in Progress



Stages Patient Recruitment Imaging in Progress Imaging Complete Completed Study

Commercialisation of XV Technology®

Australia

During the period, 4D Medical signed a nationwide contract with I-MED Radiology Network, Australia's largest outsourced radiology provider, with more than 250 clinics offering various diagnostic services to private and public hospitals. As well as providing more Australians with access to the latest technology in respiratory imaging, this agreement represents a significant opportunity to drive revenue for the Company and creates a framework for the rapid commercialisation of future 4D Medical products. 4D Medical has installed the XV technology® at seven sites across five states as at the reporting date, with the pace of rollout to gather momentum in 1H FY2023.

United States

On 6 April 2022, 4D Medical announced the commencement of a US-based clinical pilot, with the first scans occurring at Providence St. Joseph Hospital in California. Providence St. Joseph is one of 52 hospitals within the Providence Health & Services network, the third largest not-for-profit health system in the US. This is an important milestone for the Company in the US, with the expectation that a successful pilot will lead to a broad commercial agreement in much the same way as it has with I-MED in Australia.

Veterans Health Administration (VHA) and the PACT Act

The \$250bn per annum VHA healthcare system represents the largest integrated healthcare system in the US, providing life-long care and services to eligible veterans and their families. On 10 August 2022, President Joe Biden signed into law a broad expansion of healthcare benefits for millions of veterans exposed to toxic burn pits. The estimated 3.5 million veterans exposed to harmful toxins whilst deployed on operations since 2001 will now have access to an additional \$280bn healthcare commitment over ten years. Importantly, the new law also relieves the veteran of the burden of proof that an illness is associated with exposure to toxic substances.

In testimony before the US Senate, Dr Robert Miller of Vanderbilt University Medical Center identified that "patients with deployment-related lung disease represent a unique group of veterans; whilst this injury may not be as noticeable as loss of limb, respiratory disorders are associated with lifetime limitations." Dr Miller noted that beyond "not being visible, it's not detectable with your usual tools; (the results of) X-rays, CTs, pulmonary function tests are normal."

The Vanderbilt (Constrictive Bronchiolitis) clinical trial is designed to test the capacity of XV Technology® to determine the presence of respiratory disease in veterans exposed to toxic burn pits. Imaging of veterans in the study is now complete, and a final analysis of those results is being undertaken (refer to [Vanderbilt University - VUMC Reporter](#)).

XV Scanner

On 17 March 2022, 4DMedical unveiled its XV Scanner, the world's first dedicated lung scanner, at the Prince of Wales Hospital in Sydney in a ceremony involving the Federal Minister for Health. The XV Scanner integrates the Company's XV Technology® into a purpose-built platform providing doctors and patients with unprecedented and highly visual insight into lung function.

The scanner was delivered with the help of the Medical Research Future Fund (MRFF), through which the Australian government is contributing \$28.9m. 4DMedical designed, built, and deployed the first XV Scanner within 12 months of MRFF funding, meeting the ambitious target communicated to the market. 4DMedical is working with leading medical researchers to progress a series of clinical trials that will take the XV Scanner toward regulatory clearance by late 2023.



Hon Greg Hunt MP with Andreas Fouras, celebrating the delivery of the XV Scanner at the Prince of Wales Hospital Sydney, Australia.

CEO Commentary

4DMedical Managing Director and Chief Executive Officer Dr Andreas Fouras said: "I am very proud of 4DMedical's achievements over its 2022 financial year and the progress we have made to position us for another strong year ahead.

Financial performance

From a financial performance perspective, we have grown Software-as-a-Service (SaaS) revenue as well as hardware sales. While these gains have been from a low base, they clearly demonstrate that the Company is now very much in its commercialisation phase. Another key highlight in FY22 was the unveiling of the first XV Scanner, the world's first dedicated lung scanner, at the Prince of Wales Hospital in Sydney.

**The future
of lung health**

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Operational achievements

On top of these developments, the 4DMedical team has been busy adding to our catalogue of pilot and clinical trial results, which are rapidly adding to the body of evidence that scans generated via 4DMedical's XV LVAS™ technology are a superior way of examining patients. They are proving up the ability of 4DMedical's technology to provide rich 4D data unavailable in existing lung diagnostics like X-rays, CTs and pulmonary function tests. This previously unavailable evidence will be a pivotal factor in accelerating uptake by doctors.

Industry developments

Subsequent to the end of the reporting period, the US signed into law a broad expansion of healthcare benefits for millions of veterans suffering from respiratory diseases acquired while serving their country. This will include increased testing to identify these disorders, providing a significant opportunity for 4DMedical."

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About 4DMedical

4DMedical Limited (ASX:4DX) is a global medical technology company that has created a step change in the capacity to accurately and quickly understand the lung function of patients with respiratory diseases.

Through its flagship patented XV Technology®, 4DMedical enables physicians to understand regional airflow in the lungs and identify respiratory deficiencies earlier and with greater sensitivity as they breathe. This technology powers 4DMedical's FDA-cleared XV Lung Ventilation Analysis Software (XV LVAS®), which is the first and only modality that can dynamically quantify ventilation throughout the lungs. It also exposes the patient to lower radiation levels relative to other diagnostic methods, a clear advantage when disease progression and therapeutic effectiveness need to be regularly monitored.

XV LVAS® reports are prepared using 4DMedical's Software as a Service delivery model using existing hospital imaging equipment or the company's revolutionary XV Scanner.

To learn more, please visit: www.4dmedical.com