

4DMEDICAL REPORTS 1H FY21 RESULTS

- Completed ASX listing in August 2020 after a successful IPO that raised \$55.79 million
- Received Australian TGA Class 1 approval for 4DMedical's first Software-as-a-Service (SaaS) offering, XV Lung Ventilation Analysis Software (XV LVAS[™]), six months ahead of schedule
- Secured 4DMedical's first U.S. research program in collaboration with the University of Miami Health System (UHealth) to advance breakthrough lung technologies
- First clinical pilot for XV LVAS at St. Joseph Hospital located in Orange County, California U.S.
- Delivered the first commercial XV LVAS[™] scan to a patient in Victoria, Australia
- Sales and marketing team established ahead of schedule with customers anticipated in CY21
- Continued focus on 4DMedical's intellectual property portfolio with 43 patents granted or filed across the U.S., Australia, New Zealand, Europe, Japan, Singapore, Canada, India, and China at the conclusion of the half-year
- XV LVAS[™] validated to monitor Acute Respiratory Distress Syndrome (ARDS) caused by COVID-19, which may assist to accelerate therapy research and assess potential treatments
- Active engagement with hospitals, healthcare institutions, imaging centres and collaborators for future collaboration and commercial projects in both the U.S. and Australia
- Strong cash position of \$43.04 million at 31 December 2020

25 February 2021: 4DMedical Limited (ASX: 4DX, "4DMedical" or the "Company"), a medical technology company focused on commercialising its patented respiratory imaging platform, is pleased to report its half-year results for the six-month period ended 31 December 2020 (1H FY21).

4DMedical Founder & CEO Andreas Fouras said:

"The first half of FY21 was an extremely busy period for 4DMedical in which we achieved some major operational milestones, such as the Company listing on the Australian Securities Exchange (ASX), as well as making significant progress towards commercialisation in both the U.S. and Australia."

"In Australia, we completed our first commercial scan on an Australian patient on the back of receiving TGA Class 1 approval for our XV LVAS product, bringing forward our Australian commercialisation strategy six months. We are currently preparing our technology for national roll out and have commenced discussions with stakeholders for commercial use."

"We have built a pipeline of hospital pilots and projects in the U.S. and were extremely proud to announce our first research program, the Functional Lung Imaging Research Program at the University of Miami, as well as our first clinical pilot at St. Joseph Hospital announced last month. Both these activities will form a considerable foundation from which we can launch our technology and achieve broader adoption. We have received positive initial feedback from the commencement of these activities, and we expect them to gain greater momentum in the second half of FY21."

"I am extremely proud of our team's achievements, particularly whilst faced with COVID-19 which continues to create a level of uncertainty and reduced decision-making capacity, particularly in the U.S."

“We have also continued to build out our workforce, with 18 new hires in the half-year bringing our team to nearly 60 full-time employees across our U.S. and Australian operations. We are now focused on deploying our sales and marketing team as well as verifying potential healthcare reimbursement pathways and billing channels as we move towards full commercialisation of XV LVAS.”

Strong balance sheet following IPO

4DMedical ended the half-year period with \$43.04 million cash at bank. This follows the Company's Initial Public Offering (IPO) to list on the ASX, which successfully raised \$55.8 million including \$50.0 million of new capital. The IPO was strongly supported by a wide range of institutional and retail investors, including both new and existing shareholders.

The Company's revenue from ordinary activities during the half-year was derived from ongoing support and maintenance services of its preclinical scanners and associated SaaS revenue. Revenue declined 86% from the previous corresponding period, which included \$1.10 million in sales of preclinical hardware. Other income increased 29% to \$1.08 million, comprised of R&D Tax Incentive credits, grant income and Federal Government JobKeeper subsidies which ended in October 2020.

The net loss after tax for the period was \$13.14m, up 145% compared to \$5.37 million in the previous corresponding period. The net loss after tax includes non-cash interest expense of \$2.63 million relating to the convertible notes and non-recurring costs totalling \$2.62 million. Normalised net loss from ordinary activities is \$7.90 million for the period compared to \$5.37 million. The operating result was consistent with management's plans.

MRFF Stage 2 submission

During the half-year 4DMedical submitted its Stage 2 application for the Federal Government's Medical Research Future Fund (MRFF) Frontier Health and Medical Research Grant. The MRFF is a long-term government investment supporting Australian health and medical research with the aim to improve lives, build the economy and contribute to health system sustainability.

As disclosed in the Company's IPO Prospectus, Australian Lung Health Initiative (ALHI), a research consortium incorporated and led by 4DMedical, was one of ten applicants awarded approximately \$1 million each under the 2019 Frontier Health and Medical Research Stage 1 opportunity, to develop its research plan for the world's first minimal-dose, dedicated lung scanner incorporating the Company's XV LVAS technology. The Company expects the MRFF to make an announcement regarding the competitive funding process for Stage 2 in due course.

Summary

As 4DMedical commences its commercialisation phase, the Company's strategy remains focused on securing clinical pilots and completing clinical trials with leading hospitals and healthcare institutions.

Clinical trials are independent research studies that validate the accuracy of 4DMedical's XV LVAS on patients with specific indications and respiratory diseases. The results of clinical trials are published in medical journals and can assist in driving the adoption of XV LVAS for specific use cases. The Company currently has a strong pipeline of clinical trials at various stages of development and focused on addressing some of the most complex, prevalent, and costly lung conditions.

Clinical pilots allow hospitals and medical institutions to implement and review XV LVAS in standard clinical practice ahead of potential commercial integration. 4DMedical is in discussion with several potential clinical pilot partners which it will aim to convert into customers and/or reference sites.

The combination of clinical pilots and clinical trials will form the foundation to securing scale and, importantly, assist the Company to capture a significant portion of the US\$31 billion global respiratory diagnostics market.

ENDS

Authorised by the 4DMedical Board of Directors.

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About 4DMedical:

Based in Melbourne, Australia and Los Angeles, USA, 4DMedical (formerly 4Dx) was founded in 2012 and is listed on the Australian Securities Exchange (ASX: 4DX).

4DMedical is a medical technology company aiming to deliver the global gold standard in respiratory diagnostics for all lung disorders including: coronavirus, asthma, chronic obstructive pulmonary disease (COPD), cystic fibrosis and cancer.

The unique 4DMedical technology accurately and quickly scans lung function as the patient breathes, to assist in providing sensitive, early diagnosis, and to monitor changes over time. Our Software-as-a-Service (SaaS) scans deliver much more complete results, showing even subtle variations in lung function down to the finest details, using lower levels of radiation than traditional methods.

Respiratory diagnosis is a US\$31 billion per annum global industry. Through its technology 4DMedical provides clinicians with greater insights into diseases of the lung. 4DMedical is focused on providing better information to doctors and patients about lung function. Better information means better decisions, and better outcomes.

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