

28 February 2020

# ASX ANNOUNCEMENT

## PRELIMINARY FINANCIAL REPORT

Admedus Limited (ASX: AHZ) (**Admedus** or the **Company**) releases its Appendix 4E– Preliminary Financial report for the period ending 31 December 2019.

In a transformative year, Admedus completed its transition to a structural heart company focused on the development of novel products using its proprietary ADAPT<sup>®</sup> tissue technology. Admedus is poised to begin its pivotal first-in-human surgical aortic valve replacement (SAVR) trial of its 3D aortic valve in Q1 2020.

FY2019 included the following highlights:

- Successful recapitalisation with the sale of the distribution rights to CardioCel<sup>®</sup> and VascuCel<sup>®</sup> patch business to US-based LeMaitre Vascular Inc. (including a \$21.2 million upfront payment) and the part-divestment of the infusion business for \$6.3 million, resulting in a closing cash balance (including term deposits) of \$16.1 million;
- Total revenue of \$17.1 million for the 2019 financial year compared with \$25.6 million in 2018. FY2019 revenue includes \$10.2 million from sales of ADAPT<sup>®</sup> products and \$6.9 million of Infusion products. The revenue shift reflected the contribution from the Infusion business until its part-divestment in May 2019 and the patch business until its sale to LeMaitre in October 2019;
- Gross profit for the group for the year was \$8.3 million, representing a gross margin of 49% (in line with 2018);
- Selling, general and administrative expenses (SG&A) reduced to \$31.6 million from \$34.3 million in the prior year following a significant reduction in global headcount. The full impact of this reduction will be reflected in the 2020 accounts; and
- Net loss after tax reduced to \$6.2 million compared with \$24.7 million in 2018, including gains from the patch business sale as well as the part-divestment of the infusion business.

The 2019 financial year was significant for the Company as it completed the divestment of non-core assets. Admedus is now focused on the development of its ADAPT<sup>®</sup> single-piece 3D aortic valve for the SAVR and TAVR (transcatheter aortic valve replacement) markets and generating revenue from manufacturing products for LeMaitre.

### Admedus Limited

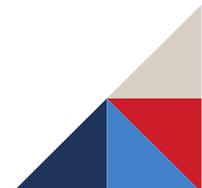
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“2019 was a pivotal year for Admedus,” Chief Executive Officer, Wayne Paterson, said.

“The capital injection has enabled the Company to concentrate on driving the value in its ADAPT® portfolio, reduce operating expenses and develop next-generation products for the structural heart market.”

More detailed commentary on the Company’s financial performance for 2019 is in the Appendix 4E and Financial Report.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Wayne Paterson', written in a cursive style.

Wayne Paterson  
Managing Director and CEO

**About Admedus Limited (ASX: AHZ)**

Admedus Ltd is a structural heart company delivering clinically superior solutions that help healthcare professionals create life-changing outcomes for patients. Its focus is on developing next generation technologies with world class partners.

**Authorisation and Additional information**

This announcement was authorised by Mr Wayne Paterson, Chief Executive Officer.

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