Resonance Health

ASX Announcement – 29 April 2025

QUARTERLY ACTIVITIES & CASHFLOW REPORT

Highlights

- **Record cash receipts from customers over last 12 months (LTM) to 31 Mar 2025 of $14.9M with positive cashflow from operations of $3.1M**
- **Receipts from customers of $3.0M - with positive cashflow from operations of $0.08M**
- **Major cost efficiency program completed in March 2025 with 12 roles removed with expected annual savings going forward of approximately $1.1M**
- **Major clinical trial announced in Aug 2023 progressing to schedule and nearing completion, with ~$0.9M remaining to be invoiced**
- **Major clinical trial announced in Nov 2024 worth $13.8M progressing to plan with $2.75M invoiced and first patient recruitment expected shortly**
- **SaMD business awarded several contract extensions from global pharma worth >$1M with additional contracts under bid worth ~$2.5M-$3M over multiple years**
- **Cash at bank of $3.2M at quarter-end, and net cash of $0.3M (net of $2.9M bank debt)**
- **US trading volumes unaffected by recent US tariffs and no material impact anticipated**

Resonance Health Ltd (ASX: RHT) (**Resonance Health** or **Company**) is pleased to release its Appendix 4C and Quarterly Activities & Cashflow Report for the quarter ended 31 March 2025.

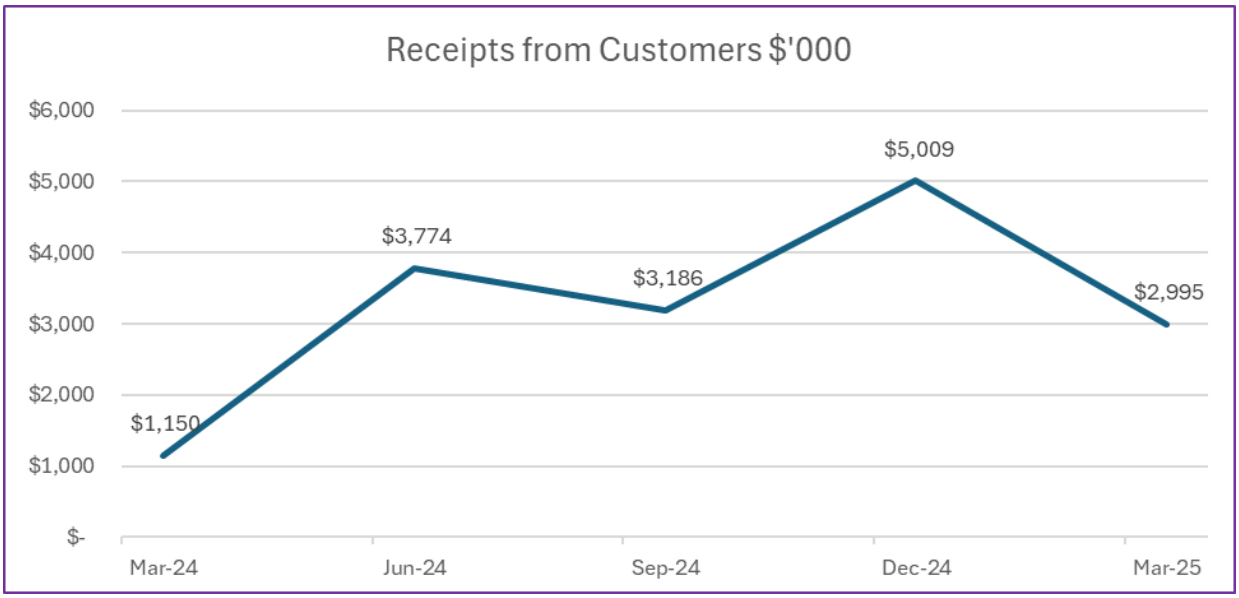
Major Milestones

The Company continues to rapidly and profitably scale up its operations with the execution of its strategy to drive growth in its 3-business focus areas; (i) Clinical Trial Management CRO Services (**Resonance Clinical**), (ii) Software-as-a-Medical Device Image Analysis Services (**SaMD**), and (iii) Clinical Trial Site Services (**TrialsWest**).

Resonance Clinical

Resonance Clinical continues to provide clinical trial management services under two material contracts with a major global pharma (ASX releases dated 19 Nov 2024 and 18 Aug 2023). Approximately $8M has been invoiced to date under these two contracts and there remains a further approximately $12M to be invoiced over the next ~18 months, assuming the clinical trial runs its full expected duration.

The first of the two clinical trials (ASX release 18 Aug 2023) is progressing to schedule and is nearing completion with data analysis and delivery of the clinical trial master file expected to occur within this financial year. The second of the clinical trials - worth $13.8M (ASX release dated 19 Nov 2024) - is also progressing to plan with initial patient dosing expected in early Q4FY2025.



SaMD Business

Several SaMD contract extensions were agreed with global pharma customers with a cumulative additional value of ~$1M. Additionally, the Company has tendered to provide SaMD services on multiple new clinical trials with a cumulative contract value of $2.5M-$3.0M to be derived over several years, underpinning a strong pipeline.

The SaMD business is on schedule to commence generating revenue from its new central-read analysis service capability for Magnetic Resonance Elastography (**MRE**) during the June 2025 quarter. Development of the Company's new 'Non-Invasive MRI Liver Fibrosis' SaMD product continues to progress through its Extended-Proof-of-Concept Trial (**EPOC**). To expedite the EPOC, three new data collection study centres have been onboarded with a total of 4 now being used.

TrialsWest Business

The TrialsWest business continues to trade strongly with the business on track to significantly increase revenue year on year. TrialsWest was successful in winning several new tenders from global pharma customers to provide trial site services, and it continues to play a major role in fulfilling the two-material major pharma clinical trial contracts being managed by Resonance Clinical (see above).

With these new contracts, and the second Resonance Clinical clinical trial about to commence patient recruitment, TrialsWest is expected to record strong growth during FY26. Adding to this is the additional capacity that has been created by the second TrialsWest site that was recently opened (see ASX release dated 8 Aug 2024). A third TrialsWest clinical trial site is being planned.

Increased Automation & Cost Reductions

Over the last year there has been a strong focus on increased automation and efficiency, driving profitability, and capacity building, enabling more customers to be served at a lower cost. To this end, the Group's workforce was restructured in March 2025 with a 12-person headcount reduction, the discontinuation of the ASON R&D project, and the closure of the Bentley WA laboratory. Collectively, these initiatives are expected to deliver annual cost savings of ~$1.1M.

One-off costs of $0.3M were incurred in connection with the workforce restructuring and headcount reduction. The headcount reductions were mostly in the SaMD business, and due to the discontinuation of the ASON R&D project and the closure of the Bentley WA laboratory. There were minimal changes to Resonance Clinical and TrialsWest was not impacted.

Financial & Operating Performance

Continued strong demand in diagnostic and clinical trial SaMD services, and milestone clinical trial service delivery payments in Resonance Clinical and TrialsWest, contributed to receipts of $3.0M for the quarter, an increase over the March 2024 receipts of $1.1M.

Net operating cashflow for the quarter was $0.08M and this included $0.3M of one-off redundancy payments associated with the workforce restructuring. These one-off costs are expected to deliver ~$1.1M in annual costs savings.

Receipts of $14.9M over the LTM generated a net positive operating cashflow over of $3.1M over the LTM. This represents a step change in the Company's cashflow profile and this, along with the recently completed increased automation and associated workforce restructuring, provides a strong platform for profitable future growth.

The balance sheet remains strong with a cash balance of $3.2M at the end of quarter. The Company has a $3.2M senior debt facility with National Australia Bank that was established to partially finance the TrialsWest acquisition (see ASX release 2 April 2024) (**NAB Facility**). On 31 March 2025 there was $2.9M outstanding under the NAB Facility and net of the NAB facility the Company holds net cash of $0.3M.

There has been no impact on SaMD volumes to date from United States (**US**) customers because of the recently announced US tariffs. The Company does not anticipate any material impact arising because of the tariffs.

With respect to item 6 of the Appendix 4C cash flow report for the quarter, payments to related parties of approximately $127K were made during the quarter. This comprised of $42K paid to Mr Mitchell Wells for consulting and company secretarial services provided during the quarter. The balance was remuneration paid to non-executive directors for their services.

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 operates Clinical Trial Management (CRO) services (Resonance Clinical) and Clinical Trial Site (TrialsWest) businesses that cater to global clinical trial customers.

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

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Resonance Health Limited

ABN	**Quarter ended ("current quarter")**
96 006 762 492	31 March 2025

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	2,955	11,243
1.2	Payments for		
	(a) research and development	(355)	(878)
	(b) product manufacturing and operating costs		
	(c) advertising and marketing	(345)	(804)
	(d) leased assets		
	(e) staff costs	(1,506)	(4,205)
	(f) administration and corporate costs	(836)	(4,369)
1.3	Dividends received (see note 3)		
1.4	Interest received	5	39
1.5	Interest and other costs of finance paid	(60)	(185)
1.6	Income taxes paid	219	212
1.7	Government grants and tax incentives	-	26
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**77**	**1,079**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses	-	(3,915)
	(c) property, plant and equipment	(159)	(264)
	(d) investments		
	(e) intellectual property	(47)	(133)
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**(206)**	**(4,312)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(80)	(240)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other:		
	- Lease payments	(102)	(235)
	- Net payments for cash backed guarantees	-	(12)
3.10	**Net cash from / (used in) financing activities**	**(182)**	**(488)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,512	6,854
4.2	Net cash from / (used in) operating activities (item 1.9 above)	77	1,079
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(206)	(4,312)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(182)	(487)
4.5	Effect of movement in exchange rates on cash held	(5)	63
4.6	**Cash and cash equivalents at end of period**	**3,196**	**3,197**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	3,180	3,498
5.2	Call deposits	16	16
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**3,196**	**3,512**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	127
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	2,933	2,933
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**	2,933	2,933
7.5	**Unused financing facilities available at quarter end**		NIL

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Secured Financing Facility from National Australia Bank, facility expiry date is 31 March 2027. Interest rate is BBSY + 2.5% per annum.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	77
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,196
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	3,196
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2025

Authorised by: By the Board of Directors of Resonance Health Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.