



Oneview Healthcare Plc

**FY2019 FULL YEAR
RESULTS PRESENTATION**

28 February 2020



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All amounts are in Euros unless otherwise specified.

All references starting with FY refer to the financial period ended 31 December.

AGENDA

- FY2019 Highlights
- Strategy Update
- Growth Opportunities in Healthcare
- FY2019 Financial Results

FY2019 Highlights



FY2019 Financial Highlights

	FY19 €m	FY18 €'m	Variance (FY19 – FY18)
Recurring revenue	4.5	3.4	+32%
Total revenue	7.1	8.2	-13%
Gross profit	4.3	4.0	+8%
Cash operating expenses*	(19.6)	(23.2)	-16%
Operating EBITDA (Loss)*	(15.3)	(19.2)	-20%
Net loss after tax	(16.9)	(20.3)	-17%
Cash balance	10.3	9.3	+11%
Net cash used in operating activities	(13.2)	(18.7)	-29%
Net equity raised	14.7	0	
Total beds live	8,517	6,258	+36%

- **Growth in recurring revenue:** Recurring revenue on per bed basis up by 32% to €4.5m (A\$7.4m) due to expansion of live beds. Annualised exiting recurring revenue run rate of €5m (A\$8.2m) based on December 2019 revenue.
- **Higher margin revenue mix:** Improved gross profit margins to 60% (up from 49% in FY18) due to changing revenue mix towards higher margin software recurring revenue.
- **Improved operational performance:** Focus on cost control reduced operating expenses by 16% and improved operating EBITDA by 20% to a loss of €15.3m (A\$25.1m).
- **Reduced cash burn:** Robust cash balance of €10.3m (A\$16.8m) reflects €14.7m (A\$24.1m) capital raise in May 2019 and significant reduction in operating cash burn.
- **Revenue diversification:** Total live beds up 36% on pcp with a global footprint of 55 hospitals across 4 countries.

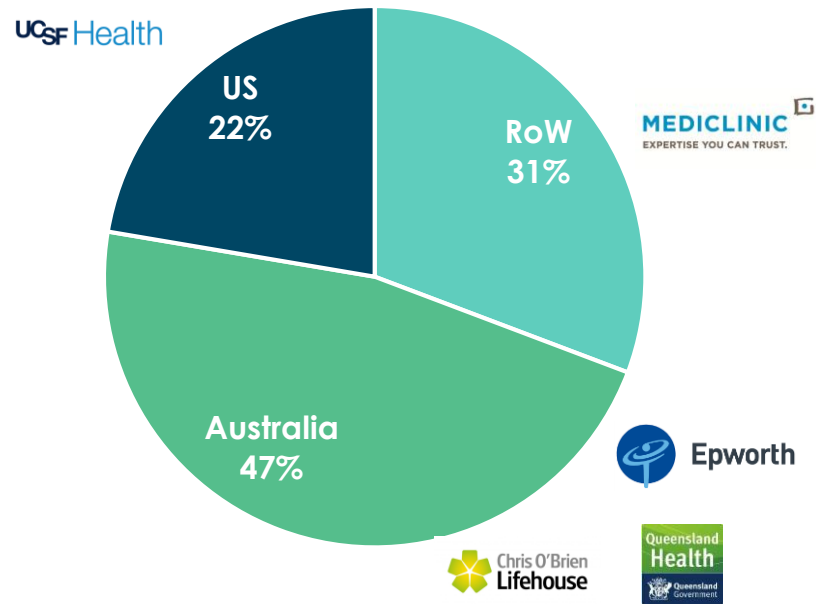
* Excluding depreciation, amortisation, impairments and non-cash expenses
All calculations assume AUD/EUR exchange rate of 0.61

FY2019 Operational Highlights

Highlights	Commentary
Refocus on core product	In Q4 FY2019, business development activities were suspended in the Senior Living division after reaching an impasse in negotiations with a major provider in the aged care industry.
Continued expansion in USA	In FY2019, North America surpassed Australia as the company's largest installed base for the first time with 4,012 hospital beds now live.
Expanded global footprint	Deployment of contract win in Asia (Bumrungrad International Hospital, Bangkok Thailand) affirms the global need for patient engagement solutions.
New hospital wins	<p>Oneview now has 55 hospitals under contract across 4 countries. New contract wins and expansion orders include:</p> <ul style="list-style-type: none">• NYU Langone Orthopedic Hospital in New York• Angie Fowler AYA Cancer Institute in Cleveland• OU Medicine in Oklahoma City• Sydney Children's Hospital in Randwick• The Prince Charles Hospital in Brisbane
New product innovation	Ongoing development of a solution to support legacy coax cabling in established hospitals and expansion of product from inpatient rooms to ambulatory care settings.
New partnerships	Partnership certification with global healthcare security company, Imprivata, to enable single-tap access to clinical apps on the Oneview platform on bedside tablets.

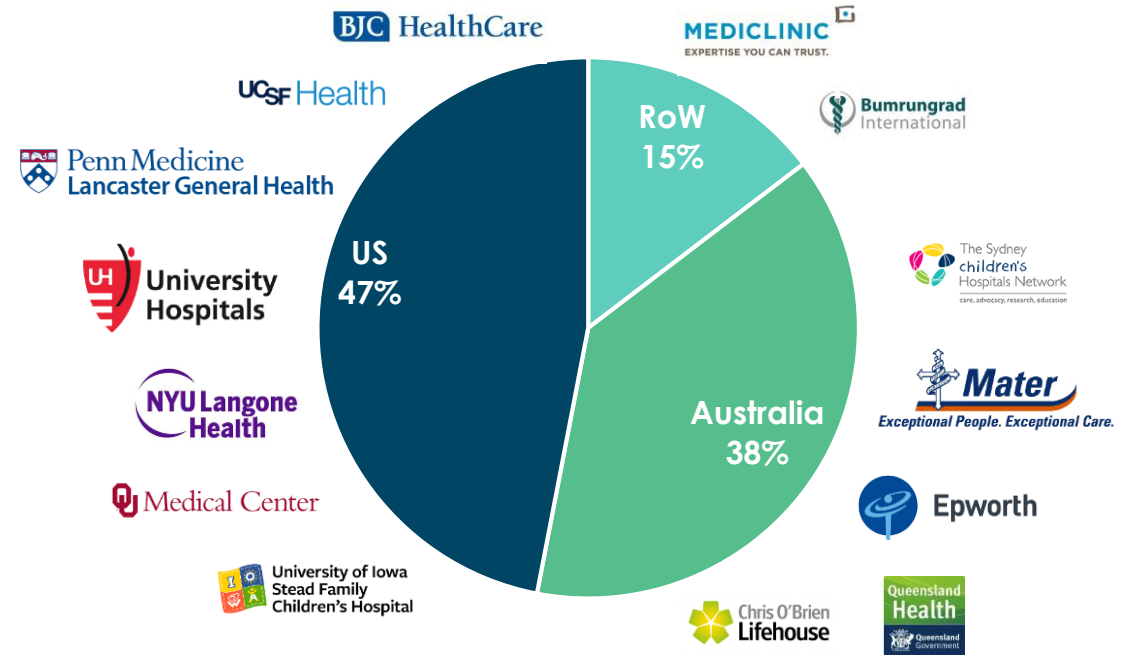
Oneview Market Growth

Live Beds – IPO, Mar 2016



1,294 beds

Live Beds – End 2019



8,517 beds

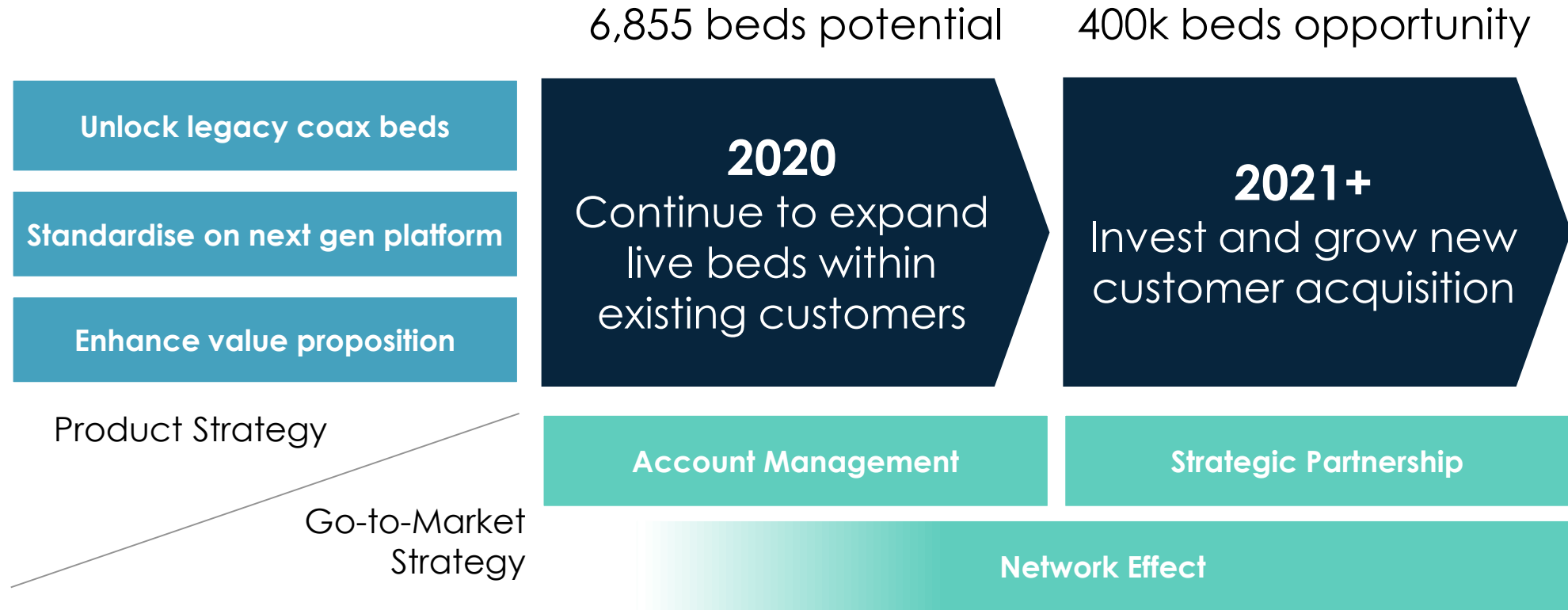
Strategy Update



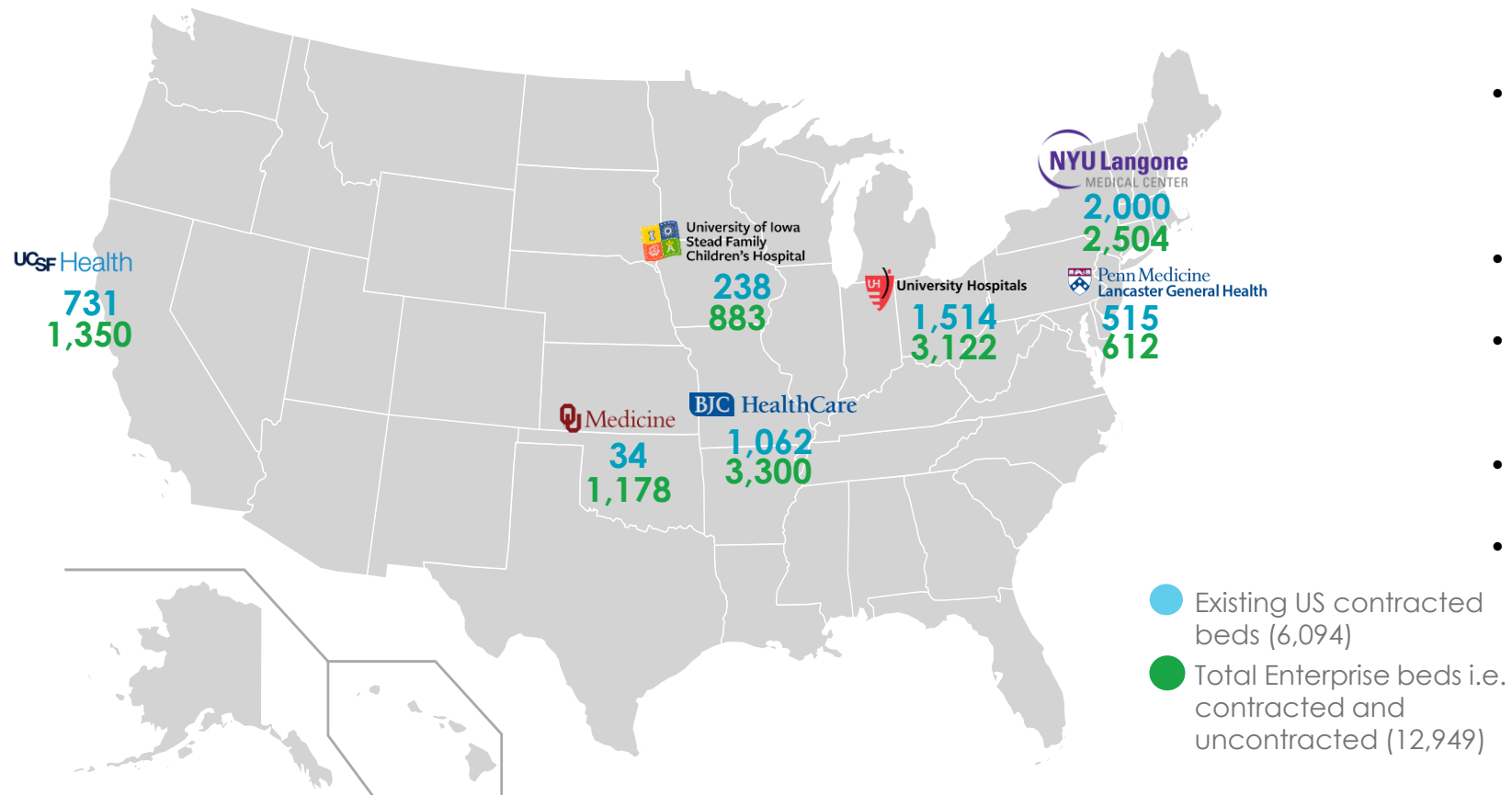
Our vision

To power personalised, exemplary care experiences.

Our Growth Strategy



Expansion Opportunities in US



- 6,855 potential bed opportunity in existing US accounts not currently contracted
- Of these, we estimate 90% are coax
- Bedside technology adoption currently at 15-20%
- Total addressable market ~1 million beds
- Growth opportunity 400K beds that just have TVs today

Healthcare Pipeline

Key Operating Metrics (Beds)



- The 2019 Beds in Pipeline has reduced due to the removal of the Senior Living beds following the decision to suspend product development. Contracted beds not yet live also reduced by 300 beds in respect of Christian Living in the US
- The Expansion Opportunities segment refers to opportunities within the existing customer base, currently estimated at 6,855 in 2019 up 34% on pcp
- The Healthcare Pipeline includes beds in contract negotiation and beds in a formal RFI/RFP process, currently estimated at 12,463 in 2019, up 16% on pcp
- Our Healthcare growth strategy is to focus on the expansion of live beds within the existing customer base and new customer acquisitions

Rightsizing Our Cost Base

	FY2019 €'m	FY2020 Guidance
Recurring revenue	4.5	Ongoing growth
Cash operating expenses*	(19.6)	Down 40% - 50%
Headcount	109	Down 35% - 40%
Operating EBITDA (loss)	(15.3)	Continued improvement
Net cash used in operating activities	(13.2)	Materially lower cash burn
Total beds live	8,517	Continued growth

* Excluding depreciation, amortisation, impairments and non-cash expenses

- **Significantly lower cash consumption:** The re-organisation previously announced on January 21 is targeted to eliminate over €8m of costs on an annualised basis and lead to lower cash consumption in 2020.
- **Ongoing growth in recurring revenue:** Continued growth in FY2020 due to full year impact of FY2019 new beds and ongoing deployment of contracted beds and expansion business.
- **Reduced operating expense:** Staff costs of €2.1m per quarter from Q2 2020 (down from €3.9m per Q in 2019). One-off redundancy costs of ~ €750K in Q1 2020.
- **Reduced operating losses:** The growth in Healthcare revenues and the reduced cost base will significantly reduce operating losses in 2020.
- **Healthy pipeline:** Still retain ~12K beds in the negotiation and tender pipeline despite removal of 8.5K from pipeline due to Senior Living decision.

GROWTH OPPORTUNITIES IN HEALTHCARE



Problems we're solving

- Healthcare is an increasingly competitive business
- Consumer expectations are growing
- Clinician workload is already too heavy
- Healthcare systems need to provide **personalised, exemplary care** – at scale – to win and retain customers
- Hospitals with a superior customer experience generate **50% higher** margins¹

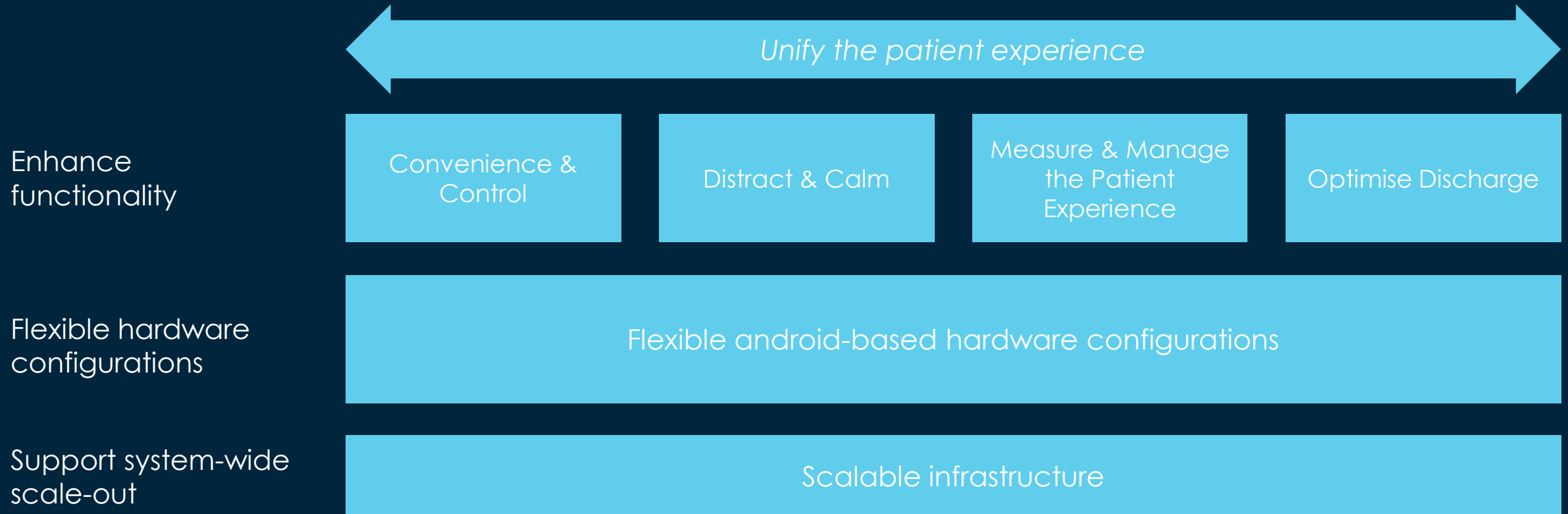
Source: 1 Accenture: https://www.accenture.com/_acnmedia/Accenture/Conversion-Assets/DotCom/Documents/Global/PDF/Industries_17/Accenture-Happy-Patients-Healthy-Margins.pdf#zoom=50

Our value proposition

- Technology that:
 - Enables whole-person care
 - Supports the entire care team
 - Provides a foundation for innovation
- Oneview unifies systems, data, organisations and – most importantly – people to **improve outcomes, quality and value**

Healthcare product focus

Consumerism and consolidation are driving competition in the US market and demand for technology to improve the patient experience, ensure consistency of care and enable operational efficiencies



“Oneview is one platform that integrates all of our apps”

ELECTRONIC HEALTH RECORD



COMMUNICATION & COLLABORATION



DIETARY / FOOD & NUTRITION SYSTEMS



SMART ROOM CONTROLS / BUILDING MANAGEMENT SYSTEMS



REAL-TIME LOCATION SERVICES



PATIENT EDUCATION & CALMING CONTENT



MIDDLEWARE



IDENTITY & SSO



ENTERTAINMENT & STREAMING



SURVEYS & FEEDBACK



Oneview business model

- Subscription-based software (per bed, per day), 90% gross margins
- 5 – 7 year contracts, with 100% customer retention
- Hardware sales and professional services for implementation and optimisation at combined ~20% gross margins

FY2019 Financial Results

FY2019 Income Statement

- Recurring revenue increase of 32% due to increase in live beds in the US, Australia and Thailand.
- Sales of hardware and services (non-recurring revenue) reduced by 46% in FY2019.
- Improved gross profit margins due to changed product mix to higher margin software usage and content recurring revenue.
- Reduced operating expenses by 16% thus improving operating EBITDA (loss) to €15.4m.
- Net loss after tax (excluding significant items – FX and non-cash share-based payments) reduced to €17.0m (down from €20.1m in FY2018).

	FY2019 €'m	FY2018 €'m	Variance (FY19 – FY18)
Recurring revenue	4.5	3.4	+32%
Non recurring revenue	2.6	4.8	-46%
Total revenue	7.1	8.2	-13%
Cost of sales	(2.8)	(4.2)	-32%
Gross profit	4.3	4.0	+8%
Sales & marketing expenses	(4.0)	(5.5)*	-29%
Director expenses	(0.8)	(1.3)*	-38%
Rent & related expenses	(0.7)	(1.2)*	-42%
Product development & delivery expenses	(11.3)	(11.3)*	0%
General & administration expenses	(2.9)	(3.9)*	-23%
Operating EBITDA	(15.4)	(19.2)	-20%
Non-cash share-based expenses	(0.0)	(0.4)	-95%
EBITDA	(15.4)	(19.6)	-22%
Depreciation	(0.6)	(0.3)	+90%
Amortisation & impairments	(0.8)	(0.4)	+75%
EBIT	(16.8)	(20.4)	-19%
Net finance income/ (costs)	(0.1)	0.2	-132%
Profit / (loss) before tax	(16.8)	(20.2)	-17%
Income tax expense	(0.1)	(0.1)	+78%
Net profit / (loss) after tax	(16.9)	(20.3)	-16%

* Restated for comparison purposes

FY2019 Balance Sheet

- Robust cash balance of €10.3m up by 10%
- Strengthened balance sheet through net equity raise of €14.7m in May 2019 with funds successfully deployed to invest in new product innovation and fund working capital for growth and expansion in the US
- No loan debt

€'m	As at 31 Dec 2019	As at 31 Dec 2018
Assets		
Cash and cash equivalents	10.3	9.3
Trade and other receivables	3.5	2.7
Property, plant and equipment	2.0	0.6
Intangible assets	0.8	1.3
Other assets	1.2	3.0
Total assets	17.8	16.9
Liabilities		
Payables	8.0	6.3
Lease Liabilities	1.7	0
Deferred income	0.4	0.6
Total liabilities	10.1	6.9
Net assets	7.7	10.0
Equity		
Contributed equity	101.8	85.9
Reserves	2.1	4.6
Retained profits	(96.2)	(80.5)
Total equity	7.7	10.0

FY2019 Cash Flow

- Net cash at 31 December 2019 of €10.3m, up 10% on pcp and bolstered by net equity raise of €14.7m in May 2019
- Total operating cash outflow of €13.2m, down from €18.7m in the pcp.
- Tight cost control initiatives implemented in late 2019 to significantly reduce operating expenses and net operating cash burn from Q2 FY2020

€'m	FY2019	FY2018
Cash flows from operating activities		
Receipts from customers	10.9	10.0
Payments to suppliers	(8.3)	(10.6)
Payments to employees	(15.6)	(18.3)
Finance charges paid	(0.0)	(0.0)
R&D tax credit	-	0.3
Income tax paid	(0.1)	(0.1)
Net cash used in operating activities	(13.2)	(18.7)
Cash flows from investing activities		
Purchase of property, plant and equipment	(0.1)	(0.1)
Acquisition of intangible assets	(0.3)	(0.6)
Proceeds on disposal of fixed asset	0.0	0.0
Net cash used in investing activities	(0.4)	(0.7)
Cash flows from financing activities		
Proceeds from issue of shares	15.9	0
Transaction costs	(1.2)	0
Repayment of lease liabilities	(0.3)	0
Net Cash generated by financing activities	14.4	0
Net increase / (decrease) in cash held	0.8	(19.4)
Foreign exchange impact on cash and cash equivalents	0.1	0.1
Cash and cash equivalents at beginning of financial period	9.3	28.6
Cash and cash equivalents at end of financial period	10.3	9.3

FY2020 outlook

Ongoing growth in live beds due to increased penetration of existing enterprise customer base and new customer acquisitions

New product innovation will materially expand our addressable market

Reduced operating expenses by 40-50% on an annualised basis

Dramatically reduced cash burn in 2020

Our growth strategy in the core Healthcare business will solidify our financial foundations and allow us to deliver innovation at scale for increasingly complex and discerning customers globally



Unifying the care experience.