Oneview Healthcare PLC

FY 2020 FULL YEAR RESULTS PRESENTATION

25 February 2021

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All amounts are in Euros unless otherwise specified.

All references starting with FY refer to the year ended 31st December 2020.

Our vision

To power personalised, exemplary care experiences

AGENDA

Digital health coming of age

"The COVID-19 pandemic has put the healthcare industry through the wringer. It's required new ways of working, new methods of communication, new solutions to old problems and innovative solutions to new problems."

Healthcare IT News: Hospital IT leaders talk lessons learned from a tough pandemic year
Bill Siwicki, February 10, 2021

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2020 IN REVIEW

"The proportion of IT spending that is being allocated to cloud will accelerate even further in the aftermath of the COVID-19 crisis, as companies look to improve operational efficiencies."

Ed Anderson, Distinguished VP Analyst, Gartner.

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Positive trends in all key metrics

Expanded global footprint – live beds up 9% YOY to 9,259

Recurring revenue up 13% to €5.1M, reflecting expanded user base despite short-term impact to recurring revenue growth as COVID-19 delayed scheduled deployments

Improvement across key operational performance metrics, delivering reduced cash burn and cost

Significant progress on product development – central to growth strategy including:

- Investment in next generation platform
- Process improvements and engineering offshoring
- Material improvements in productivity
- Enabling rapid delivery of the first cloud solution, Cloud for COVID-19

9%
YOY growth in live beds up (to 9,259)

13%
Recurring revenue up to €5.1M

44%
Operating expenses down YOY

FY2020 financial highlights

	FY20 €m	FY19 €m	Variance (FY20 – FY19)
Recurring revenue	**5.11**	**4.53**	**+13%**
Total revenue	7.10	7.10	-
Gross margin	4.72	4.26	+11%
GM %	***67%***	***60%***	
Cash operating expenses*	(10.91)	(19.62)	-44%
Operating EBITDA (Loss)*	**(6.18)**	**(15.36)**	**-60%**
Net loss after tax	(9.45)	(16.94)	-44%
Cash balance	6.80	10.26	-34%
Net cash used in operating activities	**(7.69)**	**(13.16)**	**-42%**
Net equity raised	4.81	14.68	
Total beds live	**9,259**	**8,517**	**+9%**

* Excluding depreciation, amortisation, impairments, restructuring costs and non-cash expenses
All calculations assume AUD/EUR exchange rate of 0.64

- **Growth in recurring revenue:** Recurring revenue up by 13% to €5.1m (A$8.0m) due to expansion of live beds. Covid-19 prevented access to hospital sites, delaying installation and go-lives increase rate which is expected to normalize in 2021. Annualised exiting recurring revenue run rate of €5.5m (A$8.7m) based on December 2020 revenue.
- **Higher gross margins:** Improved gross profit margins to 67% (up from 60% in FY19) due to changing revenue mix towards higher margin software recurring revenue.
- **Improved operational performance:** Focus on cost control reduced operating expenses by 44% and improved operating EBITDA by 60% to a loss of €6.2m (A$9.7m).
- **Reduced cash burn:** Cash balance of €6.8m (A$10.6m) reflects €4.8m (A$8.7m before costs) capital raise in Nov/Dec 2020 and significant reduction in operating cash burn.
- **Revenue diversification:** Total live beds up 9% despite 2020 significant implementation delays as a result of limited hospital access due to COVID-19.

Technology and delivery progress

Diversified engineering capabilities with a team of 14 engineers now in the Ukraine complimenting core team in Dublin

Transformation of Data platform to provide real-time operational insights for customers

Continued enhancement of security framework to prepare for ISO 27001certification

Finalised investment in hardware strategy to cater to all infrastructure requirements

New hospitals added in 2020

Despite the pandemic 3 new hospitals were added to our client roster in 2020

OU Health

OU Medical Center is located in central Oklahoma City on the University of Oklahoma Health Science Center campus. OU Medical Center is home to Oklahoma's only Level One Trauma center and manages 680 beds of which our initial contract is for 247 beds.

Children's Hospital & Medical Center Omaha

Children's Hospital & Medical Center is a non-profit regional pediatric specialty health care center located in Omaha, Nebraska. The 145-bed hospital is the only free-standing children's hospital in Nebraska.

The Sydney children's Hospitals Network
care, advocacy, research, education

Central Acute Services Building (CASB) forms part of the Sydney Children’s Hospital Network with 135 beds.

2021 STRATEGY & VISION

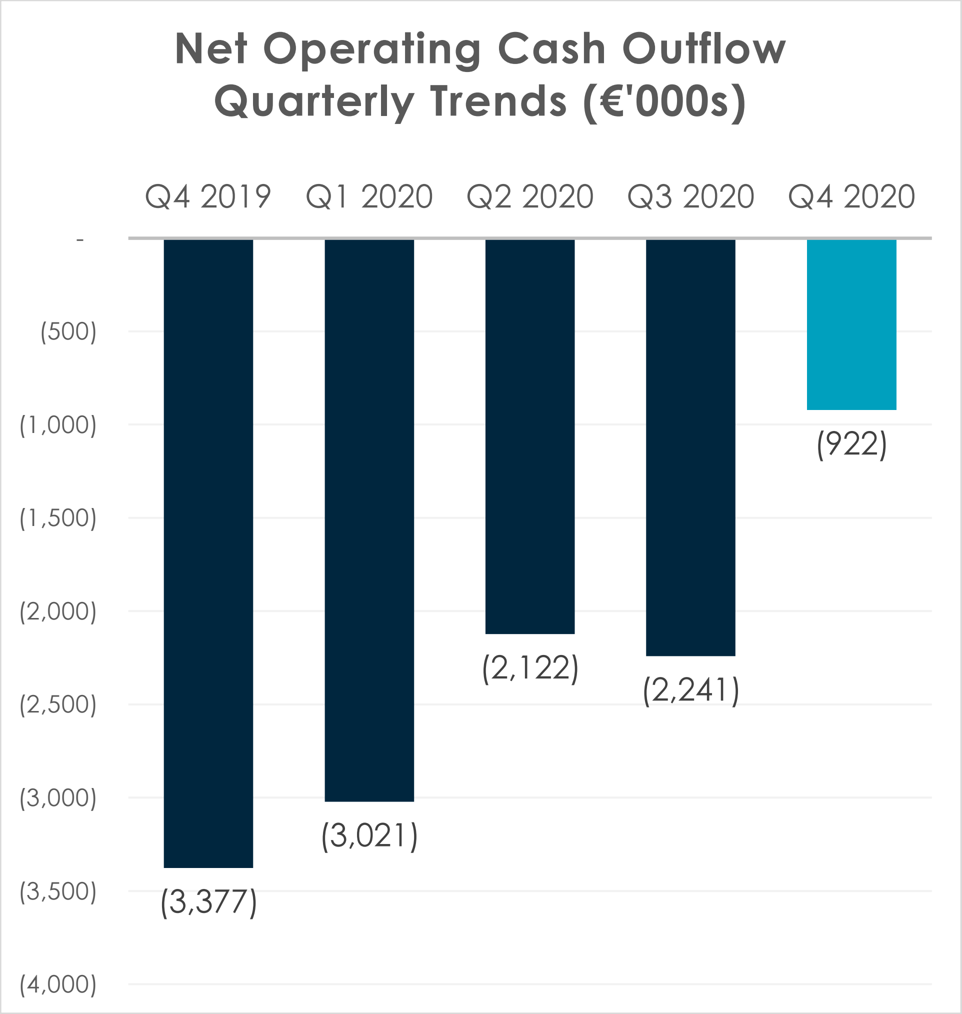
"Most businesses are currently at only about 20% in the cloud," he said. "We advocate moving to 80% or more to accelerate digital performance, which has become even more critical in the past year as healthcare providers ramp up their digital capabilities in light of the pandemic."

Accenture

oneview

2021 Outlook

1. **Market opportunity:** COVID-19 has accentuated the need for new virtual models of care highlighting the importance of bedside technology
2. **Cloud on track:** Move to full SaaS platform and ISO 27001 certification is on track for March 31 delivery. Expected to shorten sales/implementation cycles and reduce total cost of ownership (TCO) for customers by approx. 30%
3. **New SaaS Sales Leaders in both key markets:** Brandon Wilcher (Dallas) and Eleni Tzaros (Melbourne)
4. **New partnerships:** partnerships enabled by cloud and focused on distribution and virtual care
5. **Marquee customers:** Opportunity to cross- and up-sell with leading hospital systems
6. **Cost management:** Strategic reorganization in 2020 has reduced quarterly cash burn by 73% yoy to -€922 k in most recent quarter[1]. Received approval for PPP Round 2 in Feb 2021



[1] Data as at 31st December 2020

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2021 will be defined by Go To Market Strategy for cloud

Strategic partnerships signed in H2 provide the foundations for G2M strategy in the crucial US market

US Market size
~6,000 hospitals

500

Oneview

Microsoft

5,500

SAMSUNG SDS

caregility
Changing the Point of Care

CLOUDBREAK

Samsung partnership

- Samsung SDSA America, Inc. (Samsung SDSA) **distributing Oneview's Cloud Start in US from Feb 2021**
- Samsung SDSA will **bundle Samsung tablets with Oneview Cloud Start** – the first tier in Oneview's new product suite
- Bundle will be distributed to healthcare-enterprise focused **enterprise resellers**

- Simple for end-customers to get started with Oneview, streamlining procurement and implementation
- Cloud Start enables the secure, reliable and scalable delivery of apps and digital services at patient bedside, including virtual rounding, virtual visitation and virtual translation
- **Upgrade path** to the Cloud Enterprise tier with additional features

Tier migration and upsell

Cloud Start enables customers to get started faster, with upgrade path to Cloud Enterprise for full integration and optional apps

	1. Get live with Cloud Start	2. Move to Cloud Enterprise
Apps		Patient Concierge
		Meal Ordering
	Virtual Care	Virtual Care
	Education Library	Personalized Education
Platform	Cloud Start	Cloud Enterprise

Enabling virtual care at the bedside

COVID-19 has demonstrated the need for new virtual models of care highlighting the importance of bedside technology and Oneview's value proposition. New partnerships with Caregility and Cloudbreak enable us to offer an end-to-end solution to customers.

caregility
Changing the Point of Care

BEST IN KLAS
VIRTUAL CARE PLATFORMS (NON-EMR)
2021

Oneview reselling Caregility's virtual care platform globally

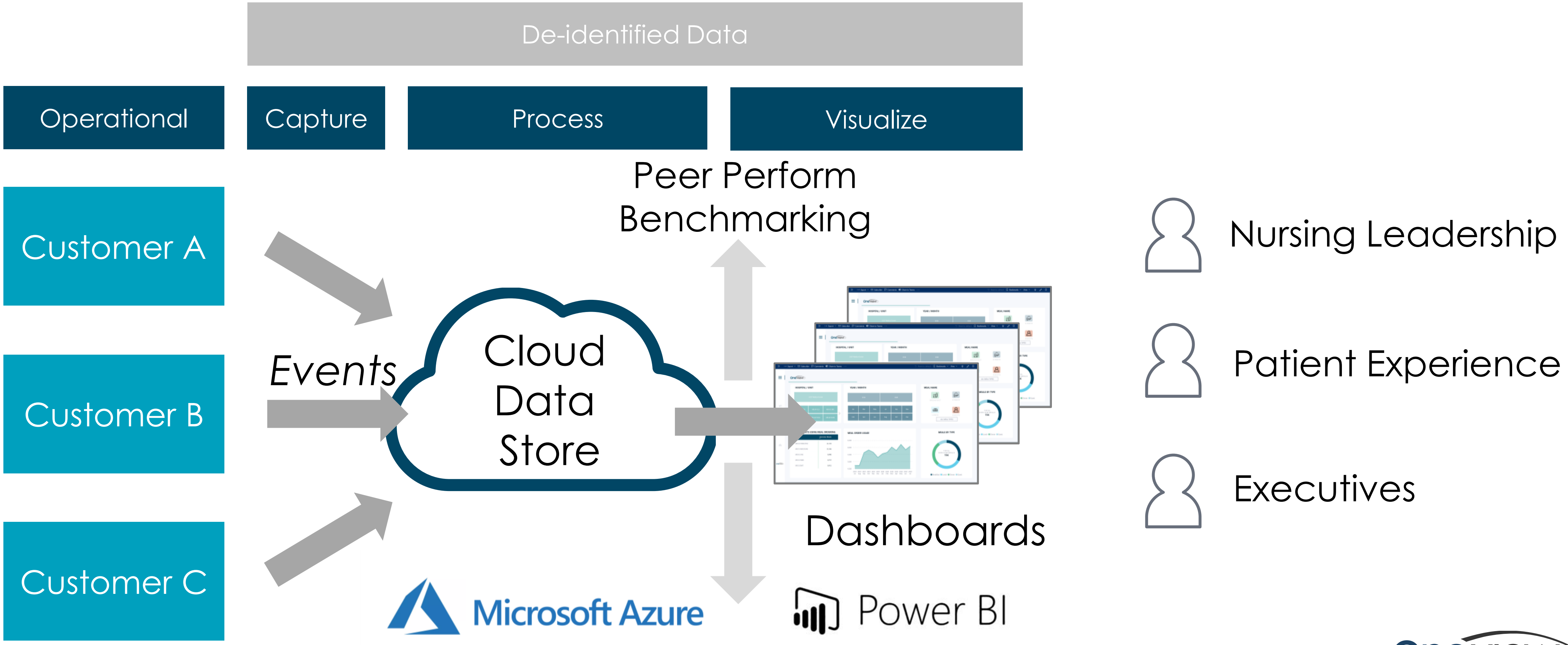
First customer contract signed for a COVID-19 unit

CLOUDBREAK

Oneview reselling Cloudbreak's Martti language services in the US market

Oneview data analytics

Powerful near rear-time operational and analytical insight



FY2020 Financial Results and Key Trends

“Cloud platforms can help deploy new digital customer experiences in days rather than months and can support analytics that would be uneconomical or simply impossible with traditional technology platforms”

McKinsey

Refocused & driving down costs

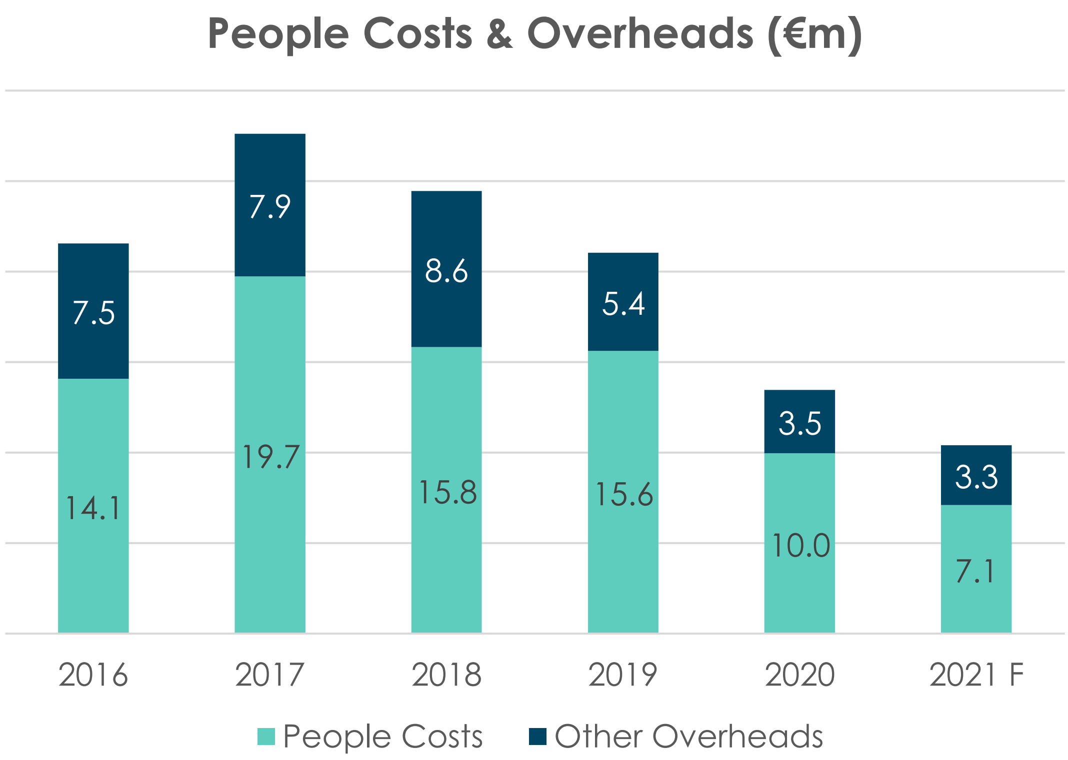
Refocused on our core revenue generating product

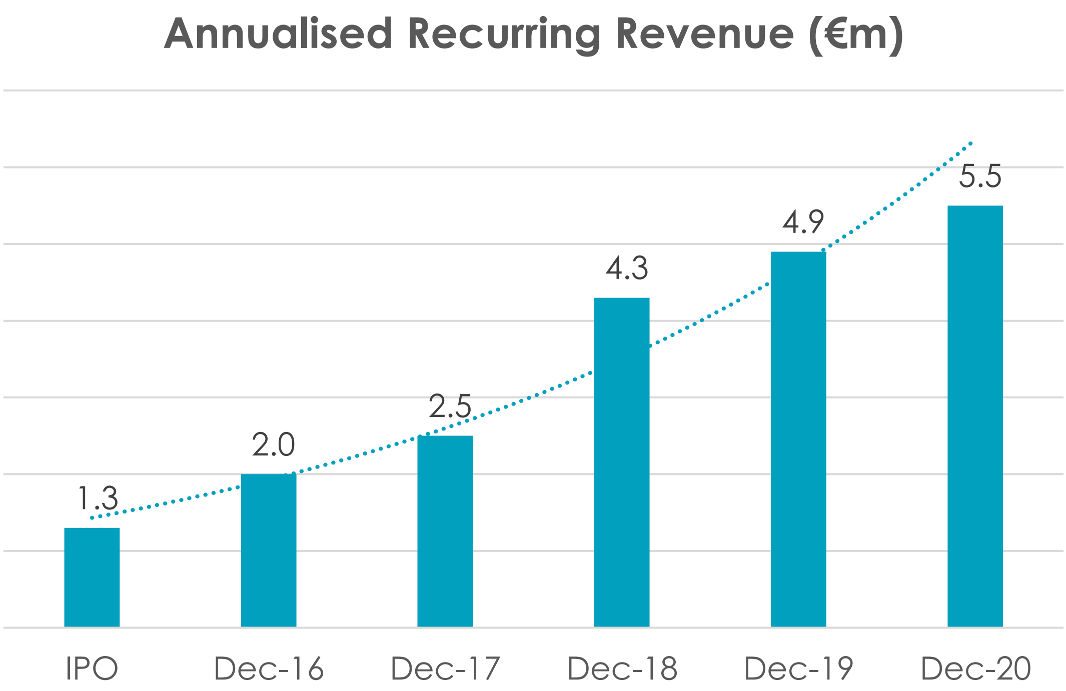
Successful offshoring diversification of engineering resources

Headcount reduced by 60% from peak (2018)

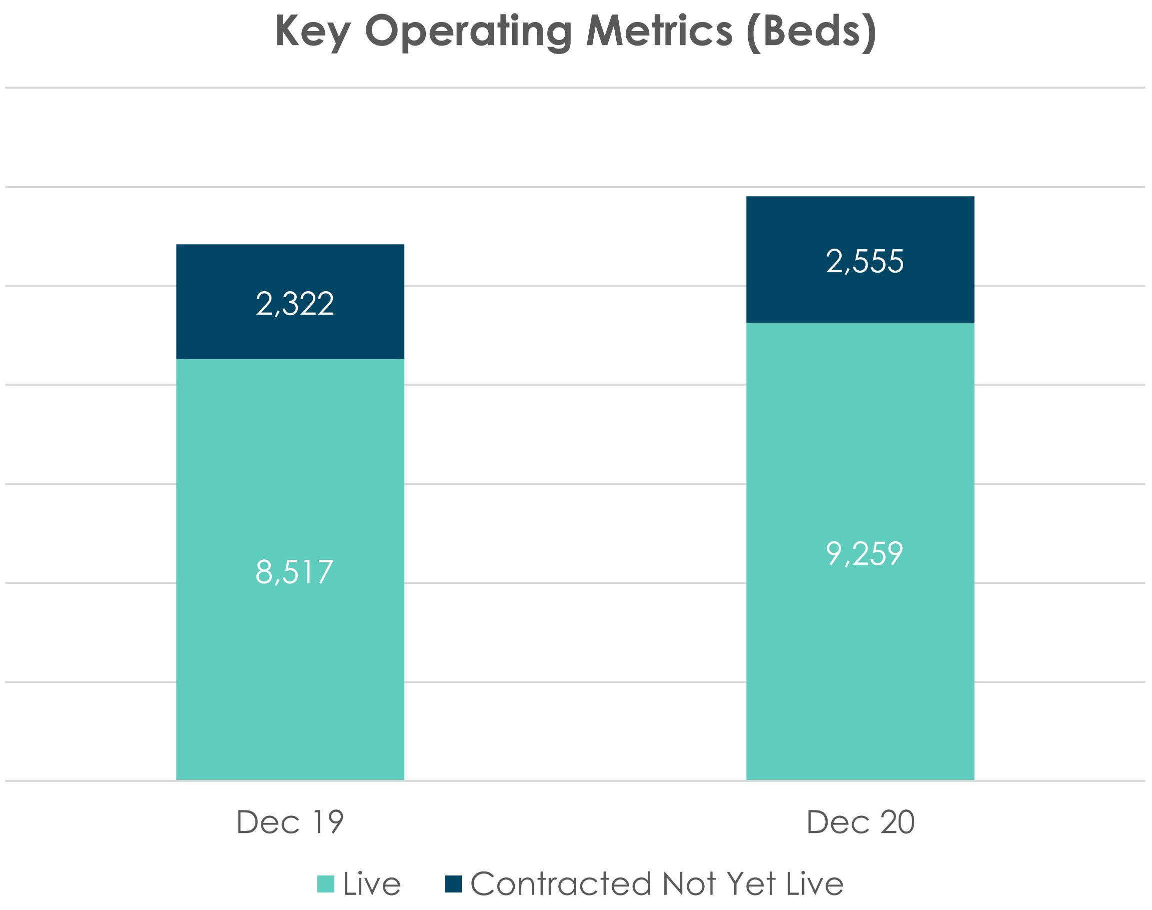
Overall OpEx down by 44% YOY

Positive long-term performance metrics





Contracted beds



9% yoy growth in contracted beds in 2020 negatively impacted by Covid-19 but set to accelerate in 2021 with transition to Cloud and new focus on virtual models of care

FY2020 Income Statement

- Recurring revenue increase of 13% due to increase in live beds
- Sales of hardware and services (non-recurring revenue) reduced by 22% due to the impact of the Covid-19 pandemic which restricted our ability to proceed with some scheduled deployments in the earlier part of the year. Importantly these were delays not cancellations and affected installations have been re-scheduled for 2021
- Gross profit margins improved to 67% due to changed product mix (higher proportion of recurring software revenue)
- Reduced operating expenses by 44% (excl. Restructuring expenses) thus improving operating EBITDA (loss) to €8.1m, excluding exceptional restructuring expenses of €1.2m incurred in the year
- Net loss after tax reduced to €9.5m (down from €16.9m in FY2019)

€ millions	**FY20**	**FY19**	**VARIANCE % (FY20 – FY19)**
Recurring revenue	5.11	4.53	13%
Non recurring revenue	1.99	2.57	-22%
Total revenue	**7.10**	**7.10**	**0%**
Cost of sales	(2.38)	(2.84)	-16%
Gross profit	**4.72**	**4.26**	**11%**
Gross profit %	***67%***	***60%***	
Sales and marketing expenses	(1.45)	(4.29)	-66%
Product development and delivery expenses	(6.86)	(12.03)	-43%
General and administrative expenses	(2.61)	(3.30)	-21%
Operating EBITDA - continuing operations	**(6.18)**	**(15.36)**	**-60%**
Restructuring expenses	(1.15)	-	N/A
Operating EBITDA	**(7.33)**	**(15.36)**	**-52%**
Noncash share based expenses	(0.72)	(0.02)	
EBITDA	**(8.05)**	**(15.37)**	**-48%**
Depreciation	(0.42)	(0.60)	-30%
Amortisation/Impairment losses	(0.27)	(0.80)	-66%
EBIT	**(8.75)**	**(16.78)**	**-48%**
Net finance costs	(0.64)	(0.06)	
Loss before tax	**(9.38)**	**(16.84)**	**-44%**
Income tax expense	(0.07)	(0.10)	
Loss after tax	**(9.45)**	**(16.94)**	**-44%**

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FY2020 Balance Sheet

- Cash balance of €6.8m
- Equity fundraise of €5.4m (before costs)
- US PPP loan (US$434k) forgiven under the "CARES" Act
- US PPP Round 2 loan (US$312k) received Feb '21

€ millions	as at 31-Dec-20	as at 31-Dec-19
Assets		
Cash and cash equivalents	6.80	10.26
Trade and other receivables	3.96	3.52
Property, plant and equipment	1.65	1.99
Intangible assets	0.70	0.77
Other assets	1.13	1.22
Total assets	**14.25**	**17.77**
Liabilities		
Payables	(5.30)	(4.39)
Lease liabilities	(1.51)	(1.74)
Deferred income	(3.37)	(3.95)
Total liabilities	**(10.18)**	**(10.09)**
Net assets	**4.07**	**7.68**
Equity		
Contributed equity	107.18	101.81
Reserves	2.73	2.07
Retained profits	(105.84)	(96.20)
Total equity	**4.07**	**7.68**

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FY2020 Cash Flow

- Net cash at 31 Dec 2020 of €6.8m
- Total operating cash outflow of €7.7m, down 42% on the pcp.
- Restructuring in early 2020 and tight cost control initiatives resulted in significantly reduced operating expenses and cash burn

€ millions	**FY20**	**FY19**
Cash flows from operating activities		
Receipts from customers	7.29	10.85
Payments to suppliers	(6.06)	(8.27)
Payments to employees	(9.96)	(15.62)
Finance charges paid	(0.01)	(0.02)
R&D tax credits received	1.04	-
Income tax paid	0.01	(0.11)
Net cash used in operating activities	**(7.69)**	**(13.16)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(0.05)	(0.12)
Acquisition of intangible assets	(0.20)	(0.31)
Proceeds on disposal of fixed asset	-	0.01
Net cash used in investing activities	**(0.25)**	**(0.42)**
Cash flows from financing activities		
Proceeds from issue of shares	5.37	15.91
Transaction costs	(0.25)	(1.23)
Repayment of loan by former director	0.25	-
Repayment of lease liabilities	(0.43)	(0.28)
Net Cash generated by financing activities	**4.95**	**14.40**
Net (decrease) / increase in cash held	(2.99)	0.82
Foreign exchange impact on cash and cash equivalents	(0.47)	0.11
Cash and cash equivalents at beginning of financial period	10.26	9.33
Cash and cash equivalents at end of financial year	**6.80**	**10.26**

Aged care update

Following comprehensive legal advice, the Company has launched a legal claim in the Supreme Court of Victoria, Commercial Court against aged care operator Regis Aged Care Pty Ltd (a wholly owned subsidiary of Regis Healthcare Limited) for breach of the Collaboration Agreement between the two companies, seeking damages for loss of opportunity of A$21.4 million or reliance loss in the alternative and for misleading and deceptive conduct.

On February 19th, the Court ordered that the directions hearing be adjourned to 10:00am on 19th March 2021.

2021 Outlook

- Reaffirming previously issued revenue guidance to be "roughly in line with 2021 Opex of €10.4m" (up 45-50% vs FY2020)

- Key drivers:
  - Move to full SaaS platform is expected to shorten sales/implementation cycles
  - Blue-chip Partner ecosystem opening new doors in the crucial US market
  - Virtual models of care now top of mind for healthcare systems
  - Material expansion opportunities with existing customers
  - New SaaS Sales leaders in both key territories

Questions?

Sources

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Hospital IT leaders talk lessons learned from a tough pandemic year
Bill Siwicki
February 10, 2021
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Kaiser Permanente joins forces with Accenture, Microsoft to improve cloud capabilities
Anuja Vaidya
February 3, 2021
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Smarter with Gartner
Cloud Shift Impacts All IT Markets
Ed Anderson, Distinguished VP Analyst
October 26, 2020
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McKinsey Digital
Three actions CEOs can take to get value from cloud computing
July 21, 2020
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Unifying the care experience.