



# HILLS<sup>TM</sup>

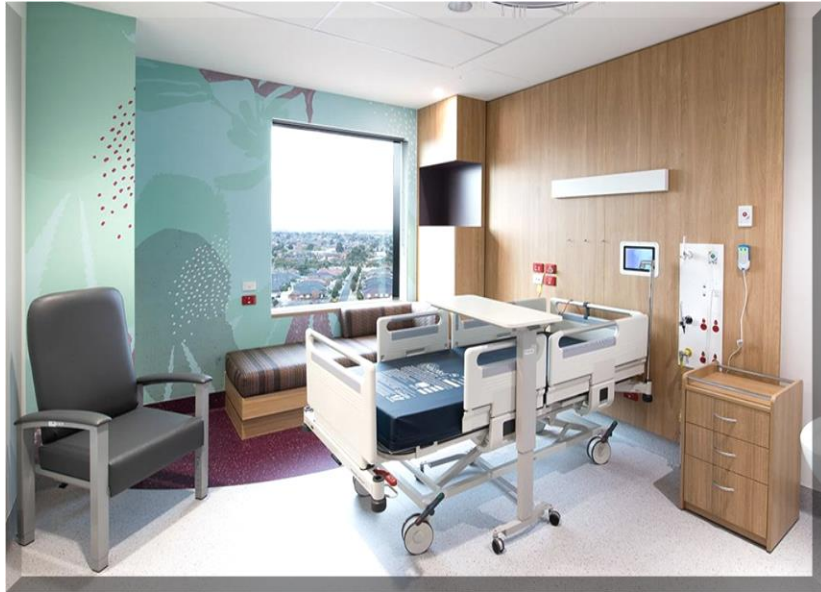
**Managing  
Director / CEO  
Presentation**



# OUR PLAN

	Stage 1 Divestment	Stage 2 Restructure and Recapitalise	Stage 3 Growth
Activity	<ul style="list-style-type: none"> <li>➤ Transition and divestment of Hills security and IT distribution division</li> <li>➤ Addressed legacy issues</li> </ul>	<ul style="list-style-type: none"> <li>➤ Internal re-organisation of Hills group</li> <li>➤ Investment in technology</li> </ul>	<ul style="list-style-type: none"> <li>➤ Build additional capability for organic growth across all businesses</li> <li>➤ Explore and invest in acquisitions and partnerships</li> </ul>
Purpose	<ul style="list-style-type: none"> <li>➤ Focus on health care technology sector</li> <li>➤ Simplify investment proposition for shareholders</li> </ul>	<ul style="list-style-type: none"> <li>➤ Simplify and reduce corporate and operational structure</li> <li>➤ Improve business performance</li> </ul>	<ul style="list-style-type: none"> <li>➤ Drive additional sales through investment in marketing and commercial capacity and capability</li> <li>➤ Accelerate product development pipeline</li> <li>➤ Strengthen customer service levels</li> <li>➤ Expand to adjacent markets and products</li> </ul>
Timing	<ul style="list-style-type: none"> <li>➤ Divestment completed May/June 2022</li> <li>➤ Legal matters addressed 1H22</li> </ul>	<ul style="list-style-type: none"> <li>➤ Re-organisation in 2022</li> <li>➤ Staged systems implementation to June 2023</li> </ul>	<ul style="list-style-type: none"> <li>➤ Calendar 2023</li> </ul>

# OUR BUSINESS



Established leader in digital solutions in hospitals and aged care

Offer proprietary:

- Advanced Nurse Call and workflow management solutions
- Patient entertainment and digitally connected clinical systems
- Hospital WiFi and telephony networks
- Pre-admission and post discharge management
- Dementia monitoring
- Cloud based community shared record
- Bed numbers: **Nurse Call 29,000+ | Patient Engagement 17,000+**



Technology installation services for residential & commercial premises

- NBN regional wireless connections
- NBN remote satellite connections
- Sky NZ TV installations
- Emergency facilities wireless connections

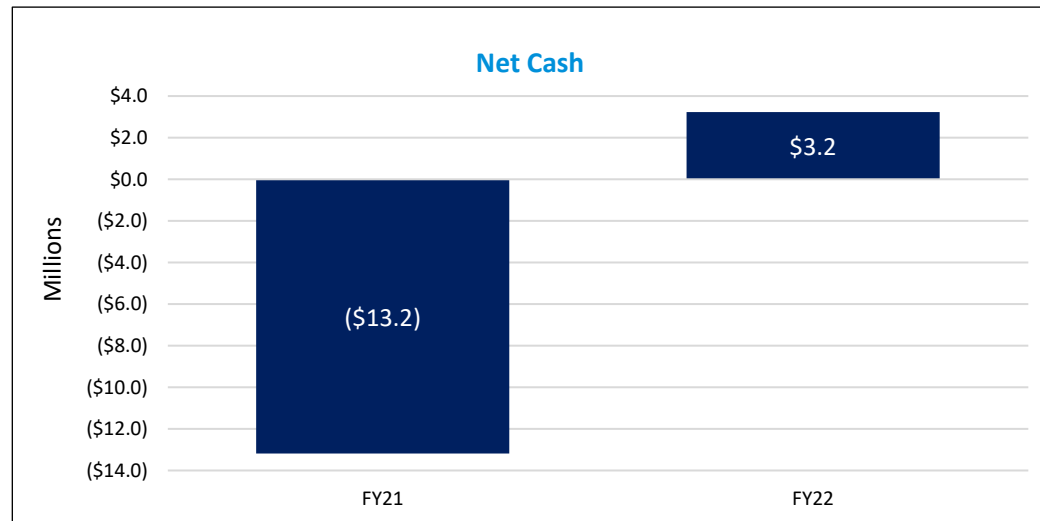
# FY22 FINANCIAL RESULTS



A\$ million	FY22	FY21	Change
Net Loss before tax - continuing business	(8.3)	(5.2)	61.5%
Net Loss after tax - discontinued business	(15.6)	(5.1)	208.5%
<b>Total Net loss</b>	<b>(24.0)</b>	<b>(10.2)</b>	<b>134.3%</b>
Reported EPS (cents)	(10.33)	(4.41)	
Operating Cash Flow	2.2	1.2	80.6%
Net Cash/(Net Debt)	3.2	(13.2)	(124.6%)

Statutory net loss after tax of \$24.0 million

- Revenue decline 4%
- Net loss before tax and funding costs of \$4.8 million relating to continuing businesses, including \$3.1 million of legal costs.
- Net funding costs of \$1.7 million.
- Non-cash tax expense of \$1.9 million - reversal of tax-related asset.
- Net loss of \$15.6 million relating to the discontinued operations



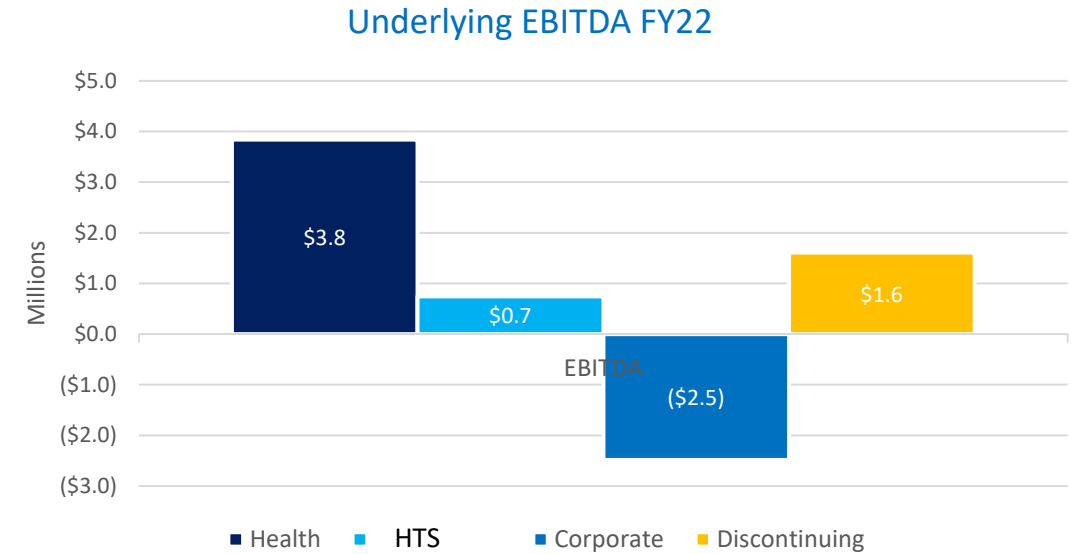
# SEGMENT BREAKDOWN – Continuing Operations

## Hills Health Solutions

A\$ million	FY22	FY21	Change % <sup>1</sup>
<b>Revenue</b>	<b>30.0</b>	<b>34.0</b>	<b>(11.6%)</b>
EBITDA	3.8	9.7	(60.4%)
<i>EBITDA margin</i>	12.8%	28.5%	
Depreciation & Amortisation	(3.6)	(4.3)	15.9%
Non-operating items	0.1	(0.4)	
<b>EBIT</b>	<b>0.4</b>	<b>5.0</b>	<b>(92.6%)</b>
<i>EBIT margin</i>	1.2%	14.7%	

## Hills Technical Services

A\$ million	FY22	FY21	Change % <sup>1</sup>
<b>Revenue</b>	<b>16.2</b>	<b>15.3</b>	<b>6.2%</b>
EBITDA	0.7	0.4	75.5%
<i>EBITDA margin</i>	4.6%	2.8%	
Depreciation & Amortisation	(0.01)	(0.10)	91.4%
Non-Operating items	-	-	
<b>EBIT</b>	<b>0.7</b>	<b>0.3</b>	<b>127.2%</b>
<i>EBIT margin</i>	4.5%	2.1%	



1. Segment EBITDA and Underlying EBIT exclude non-operating and abnormal items.

## MISSION and FOCUS

**Bring people and businesses together through seamless installation and maintenance of technology infrastructure**

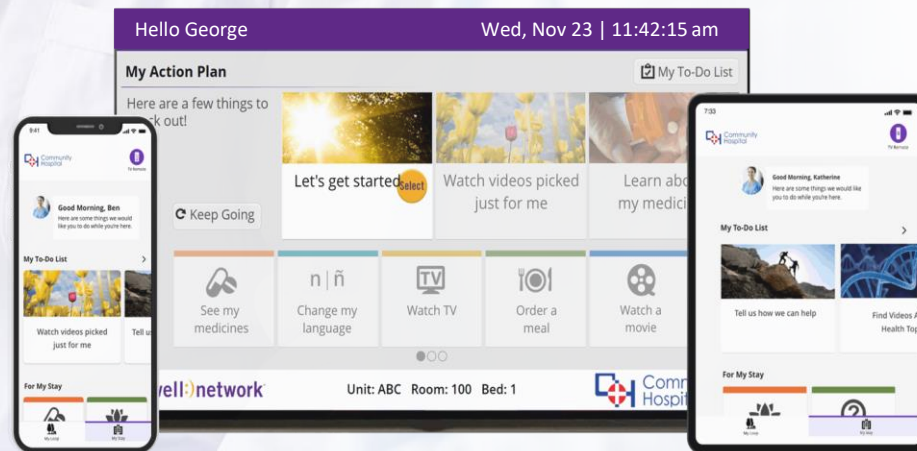
- Automation, process, technical know-how and deep experience.
- Real-time progress tracking to customers and end users.
- Known for our reliability, integrity and understanding
- Longstanding strong customer relationships
- Capable and high performing team



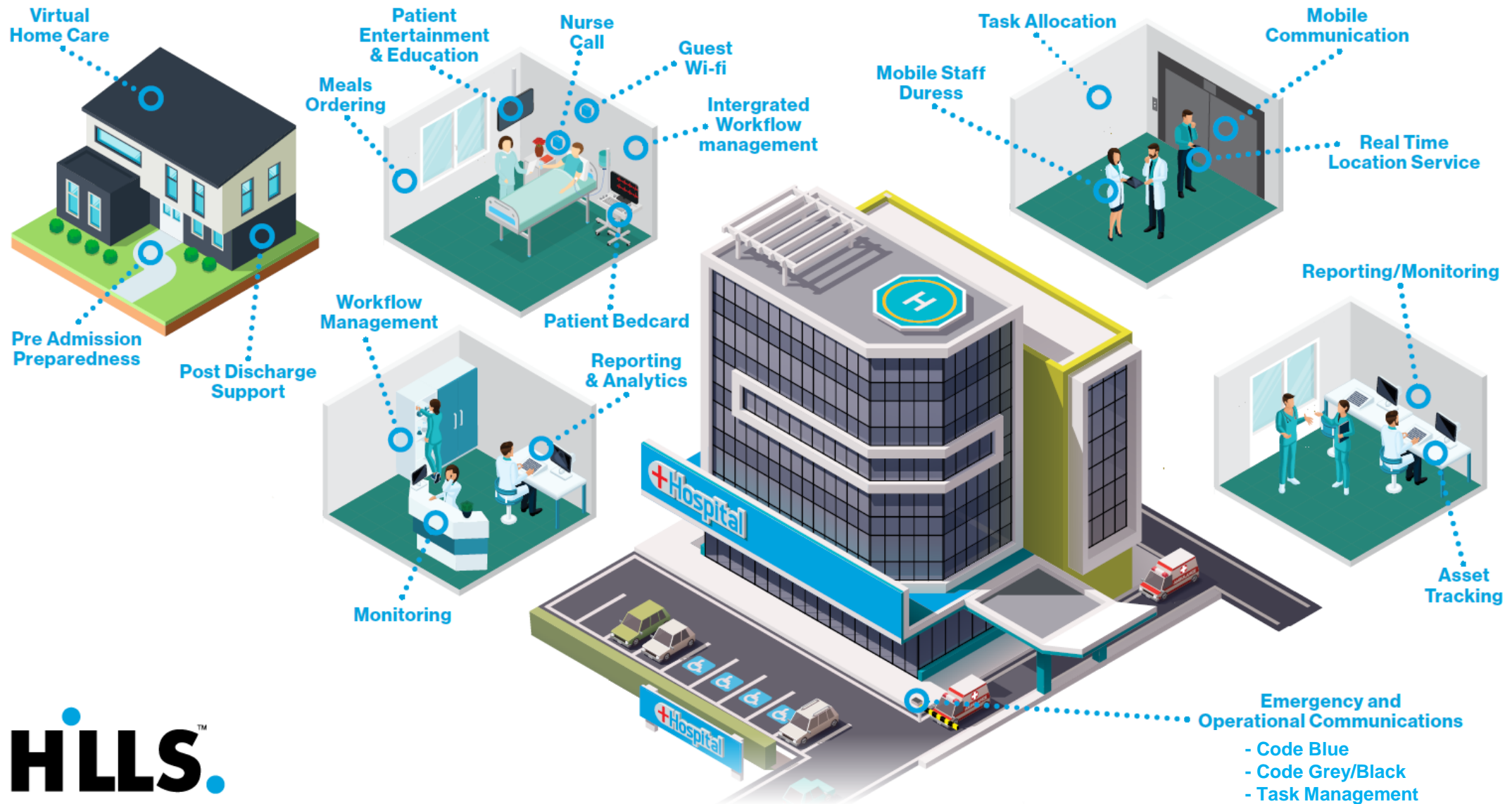
# MISSION and FOCUS

**Create interconnected digital health solutions that support patient care, save lives, and are delivered with integrity.**

- Focus on aged care, acute care and community care settings.
- Focus on digitisation of clinical workflow and messaging, interconnected health information, and virtual care.
- Software solutions supplementing devices become increasingly important.
- Leverage installed customer base and existing capabilities in acute and aged care.
- Undertake targeted, related acquisitions and partnerships.



# AREAS OF FOCUS





# THE DIGITAL HOSPITAL

Patient engagement transitions to patient centred care

Nurse Call becomes clinical workflow management

- Entertainment
- Medical Information
- Meal Ordering
- Treatment Education
- Internet Content
- Physician Consultation

- QR Code/Facial Recognition
- Vital Signs
- Clinical History
- Administration

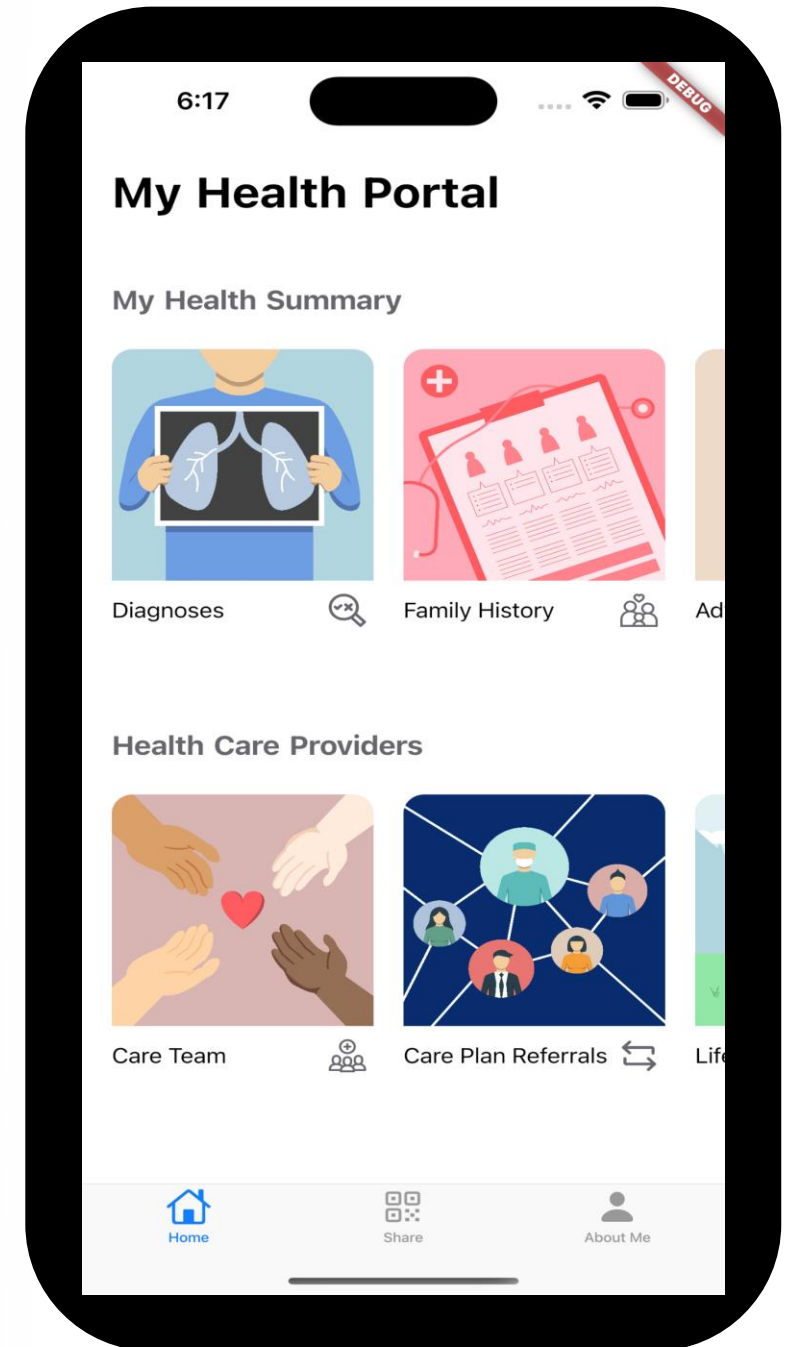
In room security

- Nurse Call/Monitoring
- Circadian Rhythm Lighting
- Bed Relaxation Controls
- Patient Caring Notes / Updates

## MISSION and FOCUS

Create interconnected digital health solutions that support patient care, save lives, and are delivered with integrity.

- Community shared record
- Strong need to connect disparate systems to share information
- Established consortium of complementary businesses to support future growth opportunities
- Developing consumer apps to enable access to information and consumerisation of health data
- Key enabler for virtualisation of health care



## FY23 UPDATE

- Customer investment in projects is strong, order intake continues to improve, hospital occupancy has recovered.
- Delivery of FY22 COVID-suppressed orders, workforce shortages, and disruption in supply chain will impact 1H23 revenue.
- Demand for installation of broadband services remains solid. Planned technology replacement will bring further sustained growth over coming years.
- To protect revenue and margin, managing supply chain, component availability, and costs, which has the potential to impact the timing and cost of project delivery.
- Sales orders stronger 2H23 and FY24.
- Secured ~\$7m New Footscray Hospital Nurse Call project.
- Actively pursuing opportunities for growth through acquisitions and partnerships.



# THE NEW FOOTSCRAY HOSPITAL

Nurse Call by **HILLS**

