



Beamtree<sup>®</sup>

1H FY23 Annual Results

15<sup>th</sup> February, 2023

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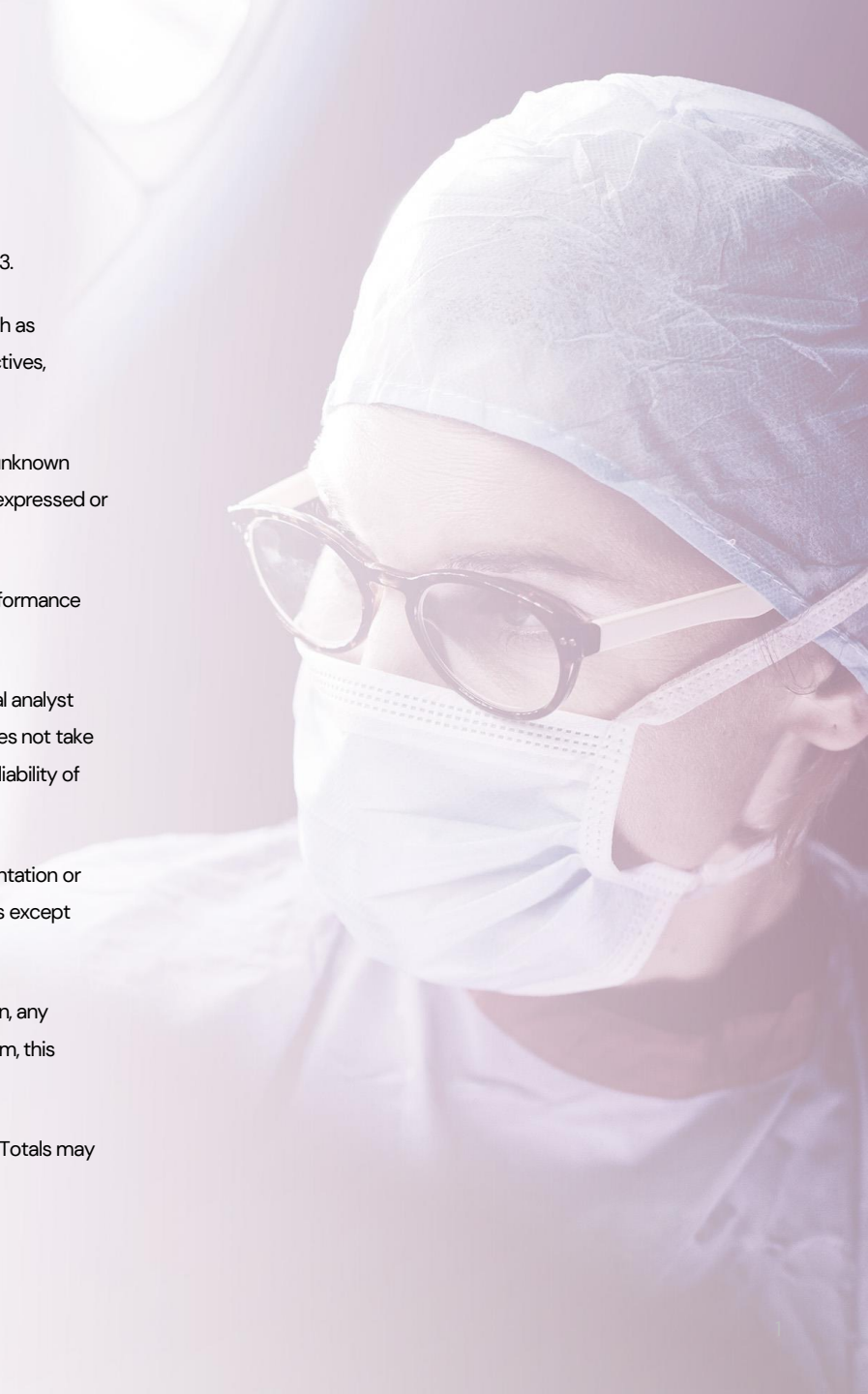
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# 1H FY23 Highlights

# 1H FY23 Financial Highlights

↑ **20%**  
PCP\*



Annual recurring  
Revenue

**\$20.1M**

↑ **47%**  
PCP



Reported  
Revenue

**\$10.5M**

*98% recurring  
revenue vs 87% in  
1H FY22*

↑ **55%**  
PCP



International  
Revenue

**\$3.2M**

↑ **37%**  
PCP



Operating Profit

**\$(0.9)M**

*1H FY23 operating loss  
of \$0.9m vs 1H FY22  
loss of \$1.4m and 2H  
FY22 loss of \$2.6m*



Cash

**\$5.4M**

*+\$3.6m improvement  
in net cash outflow  
1H FY23 vs. 1H FY22\*\**

\* Prior Corresponding Period "PCP"

\*\* +\$3.6m improvement in net cash outflow excludes acquisition payment in 1H FY22

# 1H FY23 Key Strategic Highlights



## **Diagnostic Technology**

Renewal of RippleDown® product distribution contract with Abbott Laboratories for a minimum of 3 years with improved pricing for Beamtree and enhanced focus within Abbott on the RippleDown® product.



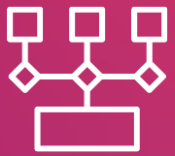
## **Analytics & Knowledge Networks**

Revised contract term with our largest client, Health Roundtable, securing a new 8 year term and \$1m additional revenue to develop a modern data platform to support enhanced member services.



## **Coding Assistance & Data Quality**

Strategic partnership in the Kingdom of Saudi Arabia with Lean Business Solutions, a government-owned company dedicated to e-health innovation in Saudi Arabia. The objective of the partnership is to identify opportunities to deploy Beamtree products in Saudi Arabia to enhance patient care.



## **Clinical Decision Support (Ainsoff AI)**

In January 2023, Beamtree signed a memorandum of understanding with Milton Keynes University Hospital (MKUH) of the UK to create a centre of excellence that will trial Beamtree's AI products and promote where they believe these will make a significant impact in automation and patient care.



Annual recurring revenue growth of 20% across the product portfolio with each segment delivering double digit revenue growth with material opportunities to accelerate the growth, despite the long lead time in healthcare.

# FY23 Outlook



Management reaffirms long term outlook of delivering annual recurring revenue of \$60m by 2026.



FY23 organic recurring revenue growth forecast to be ~20% consistent with 1H trading.



Forecast to deliver several strategic international projects in 2H to accelerate growth going into FY24.

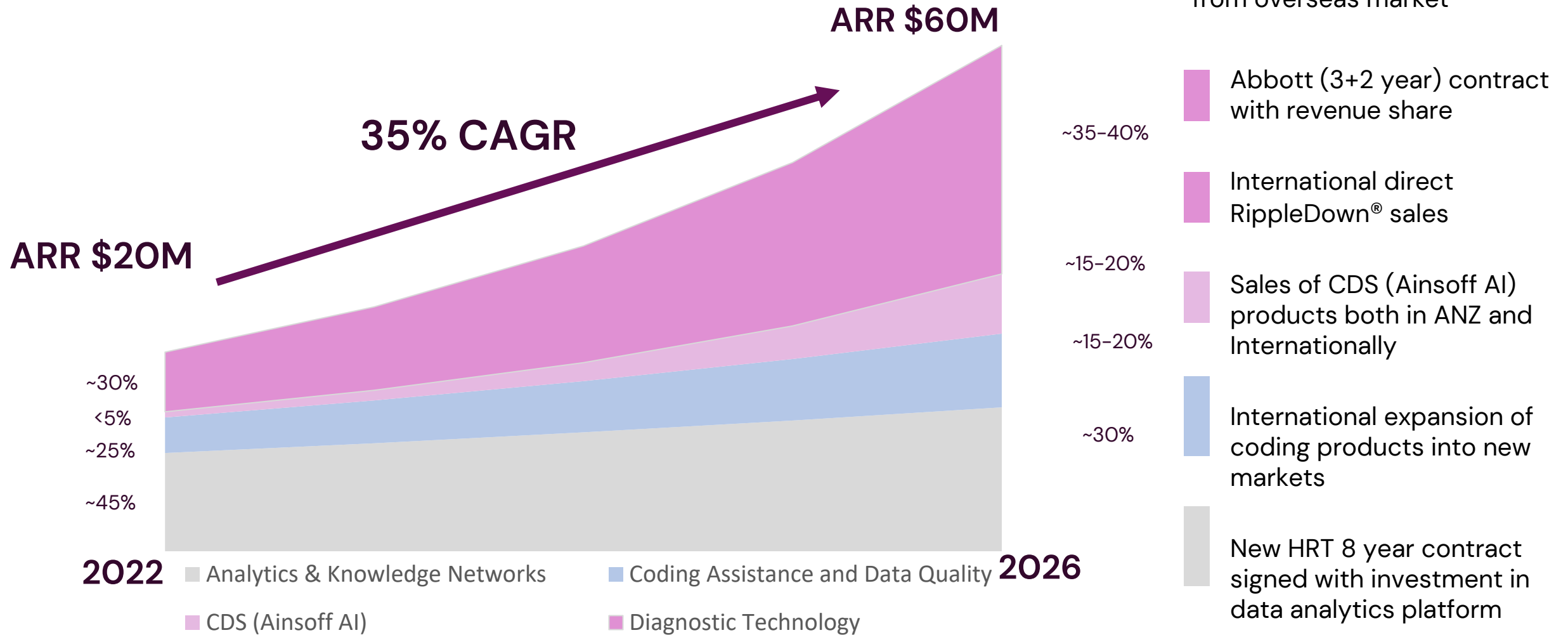


Continued focus on cost management with organic (like for like) cost growth estimated to be less than 10%.



Continued improvement in operating profit in 2H FY23.

# Long Term Outlook – No change



# Beamtree Strategy



A healthcare worker with curly hair, wearing a blue surgical mask and a blue lanyard with a stethoscope, is smiling and looking at a smartphone. She is standing next to an elderly patient with white hair, who is also wearing a face mask. The background is a blurred hospital room with a window and some medical equipment.

# Beamtree<sup>®</sup>

## Creating a better future for health

We provide AI decision support and data insights solutions with the aim of turning data into insights and action through automation.

We believe it starts with better data and ends in better care – and that ‘better has no limit’

# About Us



25+ years of experience



Australian company with  
Australian IP



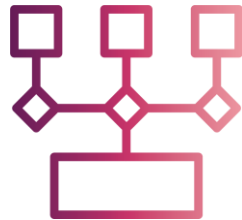
Supporting healthcare  
globally



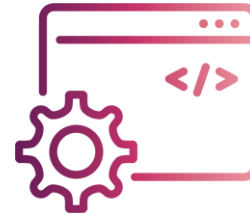
Cutting-edge use of AI  
and machine learning



Diagnostic Technology  
leaders



Clinical Decision Support  
in acute care

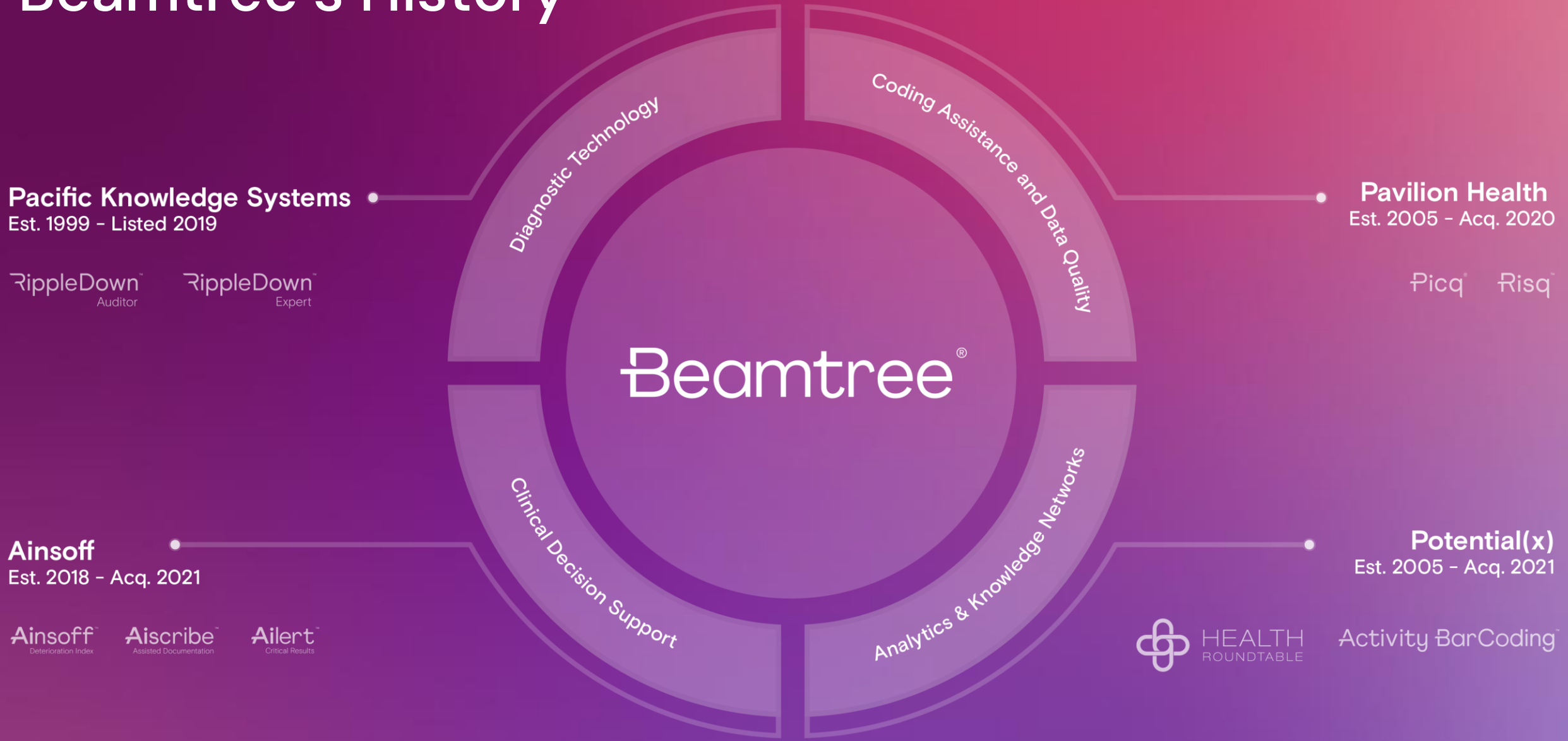


Coding Assistance &  
Data Quality



Analytics & Knowledge  
Networks

# Beamtree's History



# Supporting Healthcare Providers Globally

We support **175+ clients**  
who operate across



6  
Continents



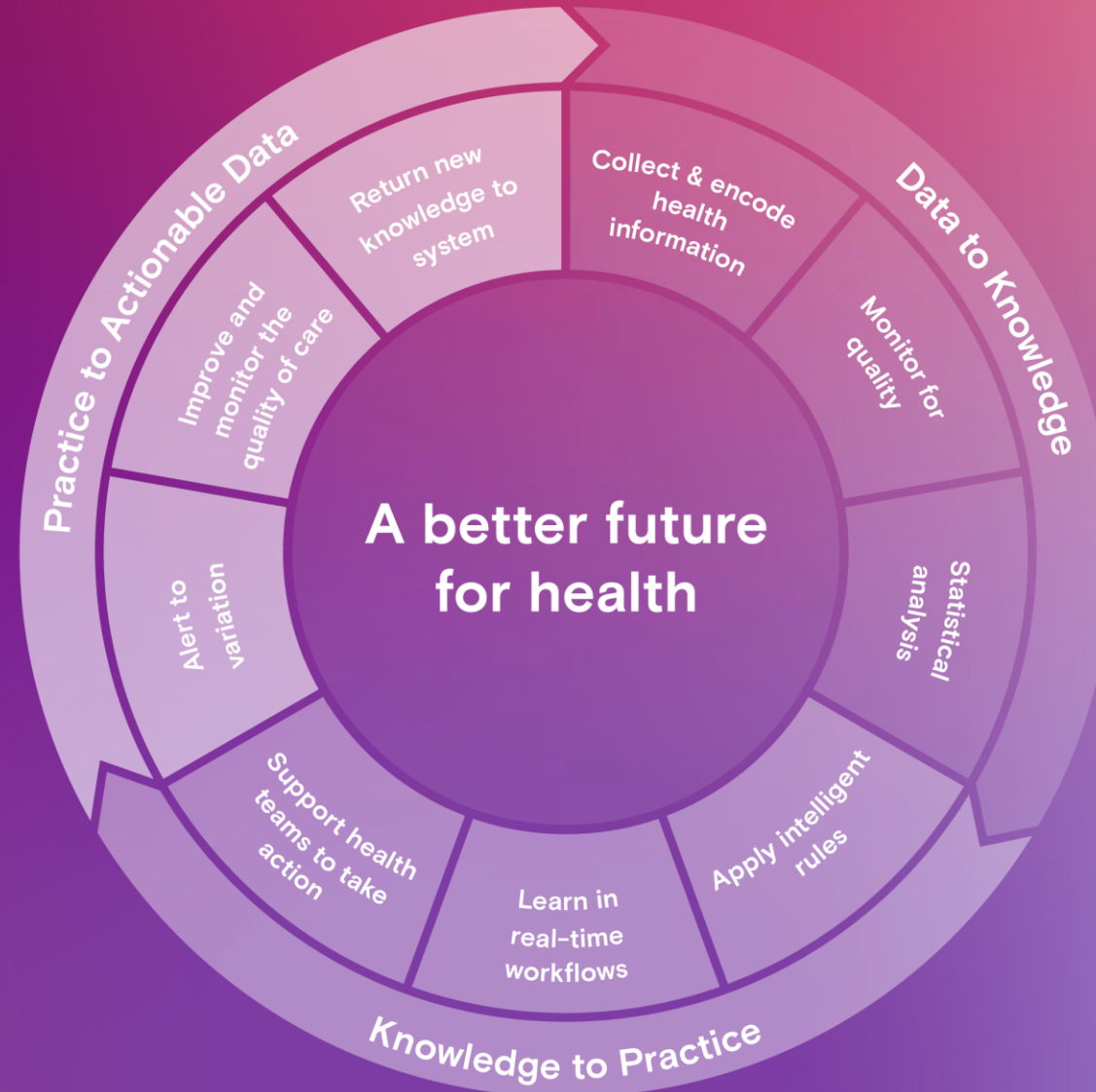
25  
Countries



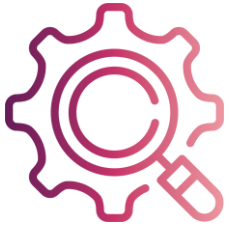
1100+  
Locations

# Learning Health Systems

Driving continuous improvement by better access to healthcare information – towards safety, quality and efficiency.



# The Problems We Help Solve



Tackle unwarranted variation



Offer revenue assurance



Promote transparency



Drive automation



Address equity of access and resource allocation



Bridge knowledge gaps



Increase efficiency, reducing mistakes



Improve quality of data

# Our product segments



## Diagnostic Technology

Enabling the effective delivery of diagnostic services as they underpin the future of health and personalised medicine.

RippleDown™  
Auditor

RippleDown™  
Expert



## Coding Assistance and Data Quality

Digitising and automating workflows with data, classification, coding & technical expertise to improve information standardisation quality and timeliness.

Picq™

Risq™

Activity BarCoding™

CodeXpert™



## Clinical Decision Support

Combining human and artificial expertise together to enhance decisions that improve care, value and experience.

Ainsoff™  
Deterioration Index

Aiscribe™  
Assisted Documentation

Ailert™  
Critical Results



## Analytics & Knowledge Networks






Combining data analytics solutions with peer-to-peer alliances that accelerate innovation and knowledge diffusion.

Global Health™  
Comparators

Knowledge Networks  
(with Health Roundtable, Ability Roundtable)

Workforce Wellbeing  
Collaborative Program

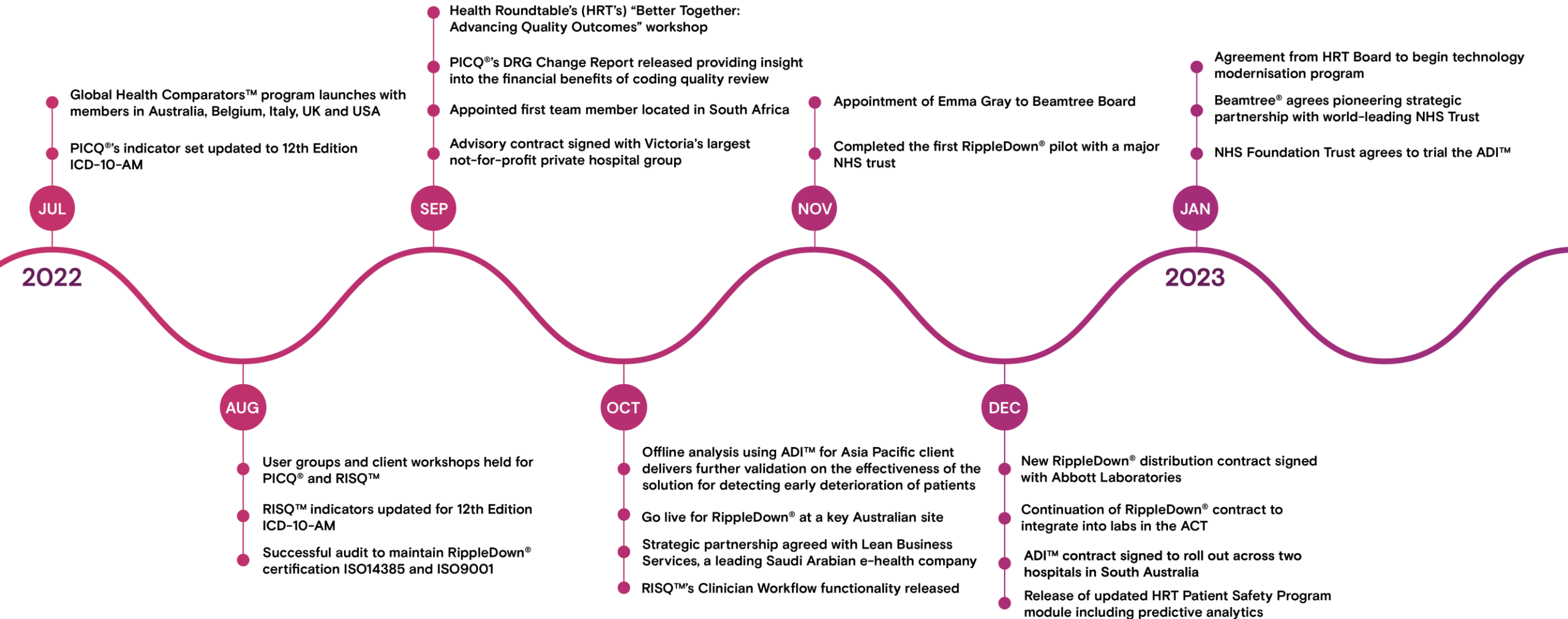
# Key Areas, Key Products and What They Do

	Product/ Solutions	Application	Problem Solved	ROI	Pricing/Scale
 <p>Diagnostic Technology</p>	RippleDown <sup>™</sup> Expert	<b>Clinical</b> rules to automate expert decision making in Diagnostics	Removes duplication for experts in providing diagnostic results	Leverages scarce clinical resources through automating and standardising work	Recurring License + volume based fee,
	RippleDown <sup>™</sup> Auditor	<b>Financial</b> and Admin rules to automate data administration for Diagnostics	Removes data errors contributing to financial loss and duplication of effort	Fewer data errors/ lower bad debts, increased efficiency	Typically annual or multi year contracts
 <p>Coding Assistance and Data Quality</p>	Picq <sup>®</sup>	Audit / benchmark tool to check and <b>recognise activity</b> for accurate coding / <b>highlight risk</b> for intervention	Reduces error and increases standardisation in coding for revenue and quality assurance	Timely, more complete and accurate information, provides education for continuous improvement and greater efficiency over time	Recurring licence fee based on volumes plus support fees
	Risq <sup>™</sup>				Typically annual or multi year contracts
 <p>Clinical Decision Support (CDS)</p>	Ainsoff <sup>™</sup> Deterioration Index	<b>Clinical</b> rules with machine-learning to measures patient deterioration	CDS for predicting risk in acute patients, alerting clinical staff	Better patient care, less ICU admissions/ward bed days and a safety net for clinical teams	Recurring licence fee
	Ailert <sup>™</sup> Critical Results	<b>Clinical</b> rules with machine learning to monitor and alert to critical results	Prevents missed diagnostics, ensures patients get the better care	Keeps patients safe, minimises clinical risk and staff supported	New products so pricing model evolving
 <p>Analytics &amp; Knowledge Networks</p>	Together with 	Combines data analytics solutions with peer-to-peer alliances	Accelerates innovation and knowledge diffusion amongst industry peers	Identifies best-in-class performance across industry peers to understand drivers for better care	Subscription revenue



# 1H Operational Highlights

# Highlights of 1H FY23








# Key Operational Highlights

## Product/ Solutions

## 1H Operational Highlights

## Going Forward

 <p>Diagnostic Technology</p>	<p><b>RippleDown</b> Expert</p>	<ul style="list-style-type: none"> <li>Signed new distribution contract with Abbott Laboratories and issued 9 new licences in the first half</li> <li>Continued implementation of RippleDown® into large pathology provider in South Africa</li> </ul>	<ul style="list-style-type: none"> <li>~30% of FY22 revenue</li> <li>Focus on international expansion</li> <li>Largest growth area going forward</li> </ul>
	<p><b>RippleDown</b> Auditor</p>	<ul style="list-style-type: none"> <li>Implemented RippleDown Expert™ into Western Diagnostics, part of Healius</li> <li>Completed pilot of RippleDown Expert™ in UK NHS trust. Results support full commercial implementation.</li> </ul>	
 <p>Coding Assistance and Data Quality</p>	<p><b>Picq</b>®</p>	<ul style="list-style-type: none"> <li>Progressed work on expanding international presence of our coding offering including partnership with Lean Business Services in Saudi Arabia</li> <li>Updated key coding products to reflect 12<sup>th</sup> edition of coding classification</li> </ul>	<ul style="list-style-type: none"> <li>~25% of FY22 revenue</li> <li>New product investment in FY22 &amp; 1H FY23 expected to support growth in the future</li> </ul>
	<p><b>Risq</b>™</p>	<ul style="list-style-type: none"> <li>Renewals +95%</li> <li>Completed first coding audit in the UK</li> </ul>	
 <p>Clinical Decision Support (CDS)</p>	<p><b>Ainsoff</b> Deterioration Index</p>	<ul style="list-style-type: none"> <li>First contract for ADI in two public hospitals in Australia</li> <li>Ongoing pilots in a number of hospitals internationally</li> <li>Offline analysis of +50,000 patient data in Asia Pacific client delivered strong validation of the early prediction sensitivity of ADI</li> <li>New version of the ADI product to be launched in 2H FY23</li> </ul>	<ul style="list-style-type: none"> <li>&lt;5% of FY22 revenue</li> <li>CDS expected to go to market in 2H FY23</li> <li>Contribution from CDS expected to increase in FY24</li> </ul>
	<p><b>Ailert</b> Critical Results</p>		
 <p>Analytics &amp; Knowledge Networks</p>	<p><b>Together with</b></p> 	<ul style="list-style-type: none"> <li>Revised contract terms with Beamtree's largest customer, Health Roundtable which secured a new 8 year term.</li> <li>Awarded \$1m to modernise data platform for Health Roundtable</li> <li>Signed up 7 inaugural Global Health Comparators our new international benchmarking and collaboration program.</li> </ul>	<ul style="list-style-type: none"> <li>~45% of FY22 revenue</li> <li>Focus on data platform modernization and leveraging to enhance analytics</li> </ul>

# 1H FY23 Strategic Partnerships

## Abbott

- Signed Dec 2022, 3 year contract with 2 x1 year extension options
- Global distribution contract, direct sales by Beamtree still permitted
- Abbott to re brand product as “Powered by RippleDown®”
- Abbott to sell and implement to small laboratories with minimal Beamtree involvement
- Larger customers to be approached jointly with economics being shared (60% /40% or 40%/60% for ANZ)

RippleDown®

## Health Roundtable

- Revised contract terms agreed in January 2023
- Mid contract termination option removed to deliver a new 8 year contract term
- \$1m additional revenue to Beamtree to deliver a modern data platform to enhance member services



# 1H FY23 Strategic Partnerships

## Lean (Kingdom of Saudi Arabia)

- Signed partnership agreement Oct 2022
- Parties to work together to deliver automation and better data quality to hospitals in Saudi.
- Lean to support sale of Beamtree products in Saudi
- First customer contract under partnership expected in 2H FY23

RippleDown® Picq® Ainsoff™  
Deterioration Index

## Milton Keynes (UK)

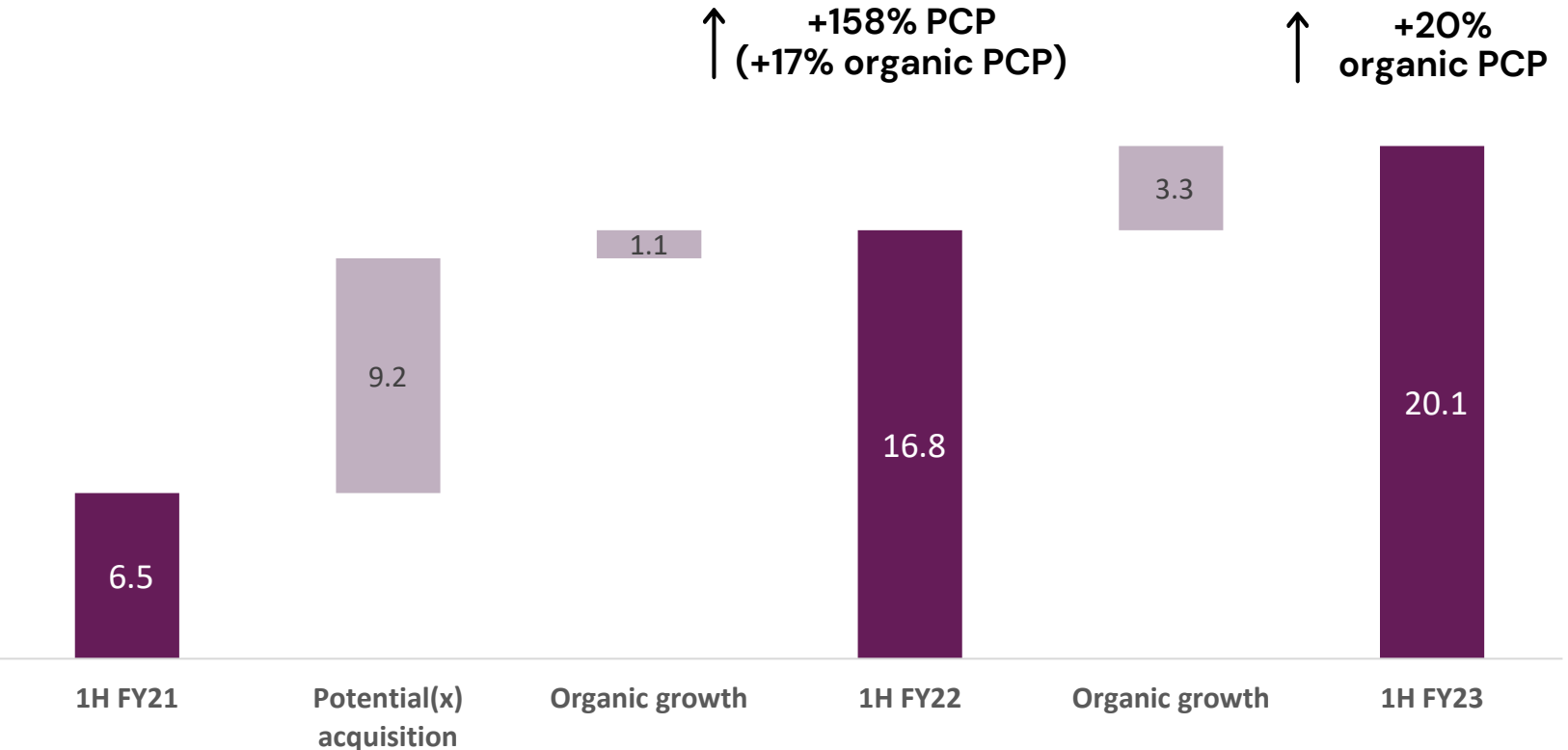
- Signed in January 2023
- Agreement to form a first-in-kind centre of excellence to promote AI and automation in the NHS
- Milton Keynes University Hospital (MKUH) to evaluate Beamtree's Ainsoff Deterioration Index and its applicability in an NHS setting
- MKUH to promote and distribute Beamtree's pioneering products that they identify will make a significant contribution to NHS challenge

RippleDown® Picq® Ainsoff™  
Deterioration Index

# 1H FY23 Financial Results



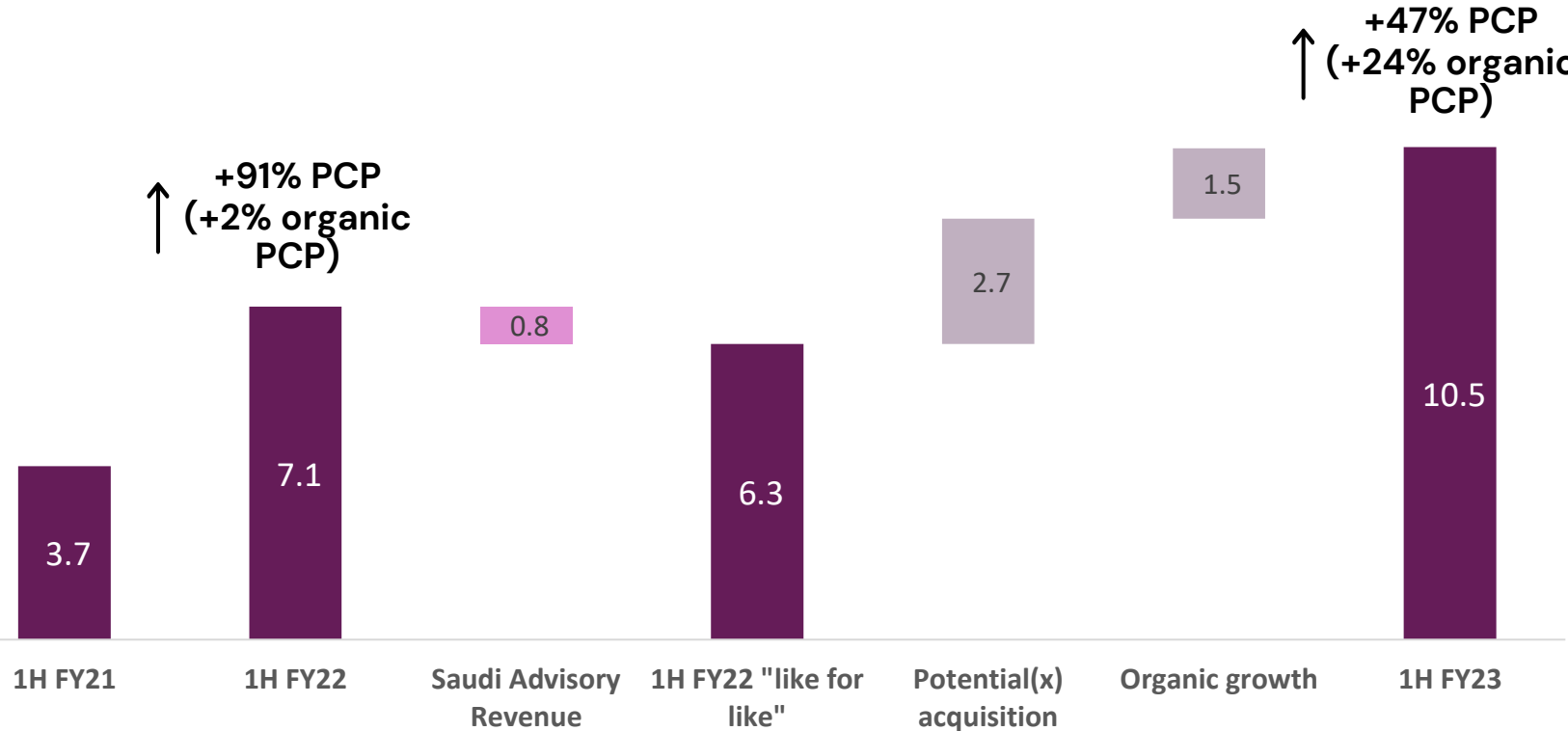
# Annual Recurring Revenue\* (ARR) Growth (\$'M)



- +20% PCP organic growth in Annual Recurring Revenue (ARR) largely driven by international growth.
- Almost 60% of organic ARR growth was driven by our Diagnostics segment with the remaining growth across our other 3 segments.

\*Annual Recurring revenue defined as Dec 22 recurring licence fee, volume based fees and subscriptions x12

# 1H Reported Revenue Growth (\$'M)



## Comments

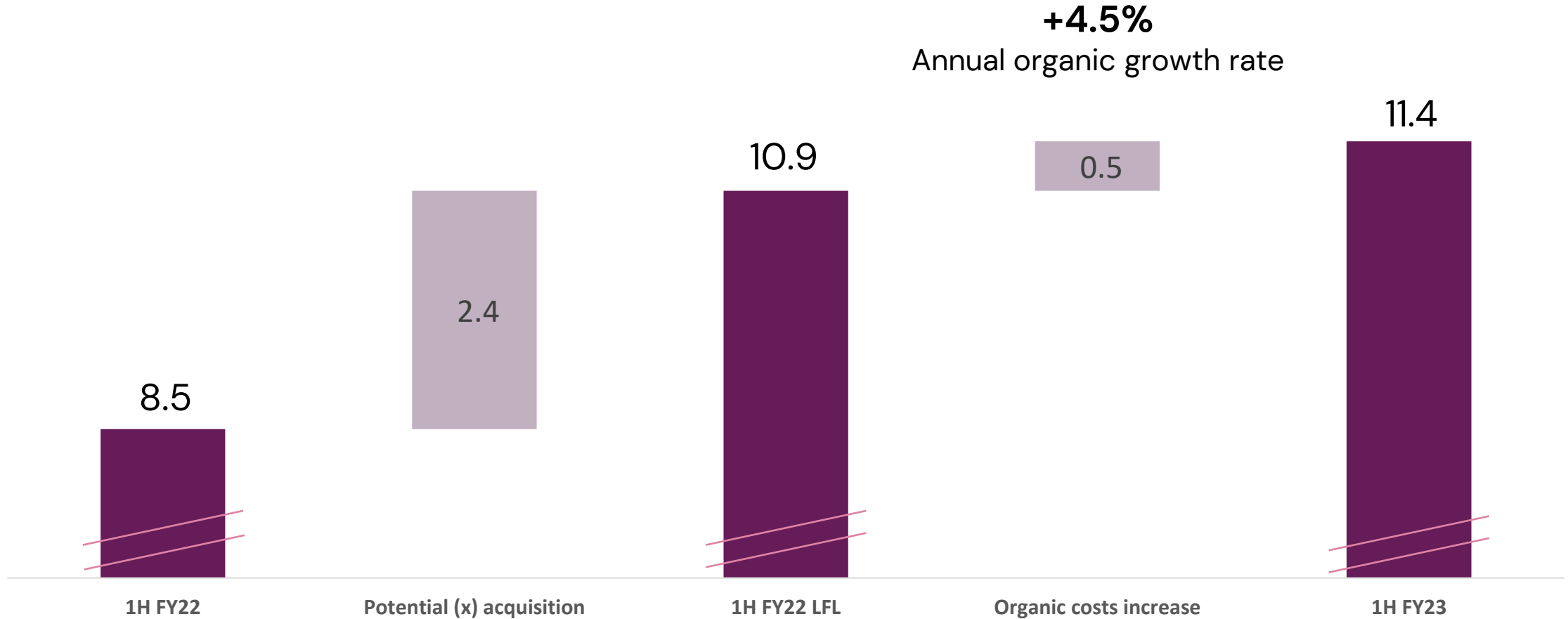
- +47% PCP growth in Reported revenue in 1H FY23 has been driven by \$2.7m from Knowledge Networks (Potential(x) acquisition) and \$1.5m organic revenue growth. All of this organic revenue growth is recurring revenue. 1H FY22 includes \$0.8m of one off consulting revenue in Saudi Arabia.
- Excluding the one off Saudi advisory income and impact from Potential(x) acquisition in Oct 2021, 1H FY23 growth was 24% with a major contribution from Diagnostics' contract wins.

\*Organic growth excludes Potential (x) acquisition impact. Potential (x) acquisition was completed on 1<sup>st</sup> Oct 2022

1H FY22 "like for like" excludes one off Saudi advisory revenue in 1H FY22



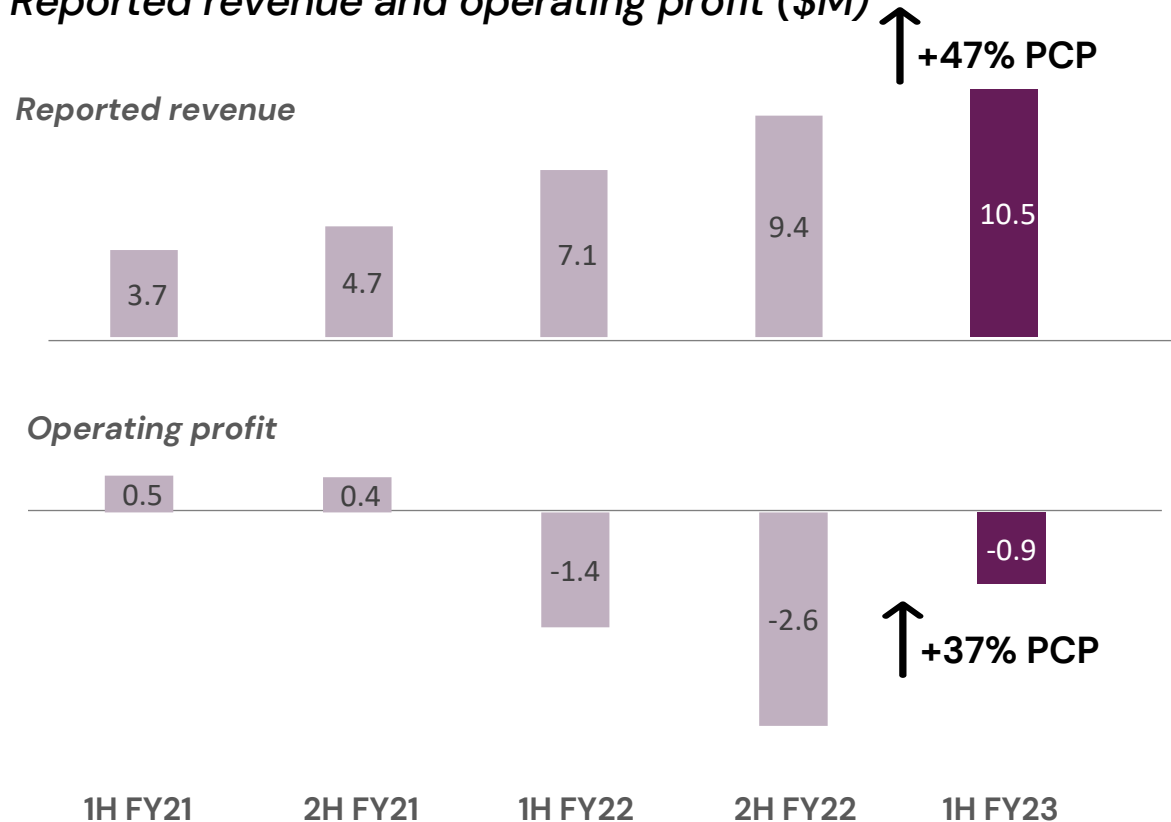
# 1H Operating Expenses & Investments (\$'M)



*\$2.9m operating expenses increase has been mainly driven by acquisition impact from Potential(x) in Oct 2021 (3 months costs in 1H FY22 vs. 6 months costs in 1H FY23)  
FTEs (full time equivalent employees) are ~90 as end of December 2022 vs. ~100 as end of June 2022*

# Revenue & Operating Profit Trend and EBITDA

## Reported revenue and operating profit (\$M)



## Operating Profit to reported EBITDA (\$M)

	1H FY21	1H FY22	1H FY23
<b>Operating Profit</b>	0.5	(1.4)	(0.9)
<b>Non operating expenses (cash)</b>			
Transaction cost	0.0	(0.1)	0.0
Impact of AASB 16	0.2	0.2	0.2
Other income	0.3	0.1	0.0
Redundancies	0.0	0.0	(0.2)
<b>Total Non operating expenses (cash)</b>	<b>0.4</b>	<b>0.2</b>	<b>(0.0)</b>
	<b>0.9</b>	<b>(1.2)</b>	<b>(0.9)</b>
<b>Non operating expenses (non cash)</b>			
FX (Loss) / Gain	(0.2)	(0.0)	(0.2)
Share based payment related	(0.3)	(0.1)	(0.5)
Fair value adj. - deferred shares*	0.0	0.3	(0.6)
<b>Total Non operating expenses (non cash)</b>	<b>(0.5)</b>	<b>0.2</b>	<b>(1.2)</b>
<b>EBITDA</b>	<b>0.5</b>	<b>(1.0)</b>	<b>(2.1)</b>

- 37% improvement in operating losses has been mainly driven by combination of \$3.4m revenue growth and \$2.9m operating expense increase.

\*Fair value adjustment for deferred shares is related to Potential(x) acquisition based on share price movement at the end each period, which is a non cash item.

# 1H Summary Profit and Loss

P&L (\$M)	1H FY23 Actual	1H FY22 Actual	Change 1H FY23 - 1H FY22
<b>Revenue</b>	10.5	7.1	47%
<i>Annual recurring revenue (ARR)</i>	20.1	16.8	20%
Expenses – staff	(8.0)	(5.7)	39%
Expenses – non staff	(3.4)	(2.8)	21%
<b>Total operating expenses</b>	(11.4)	(8.5)	33%
<b>Operating (loss)/ profit</b>	(0.9)	(1.4)	37%
Reported EBITDA	(2.1)	(1.0)	(107%)
Depreciation & amortisation and finance costs	(2.4)	(1.4)	
Loss before tax	(4.5)	(2.4)	(92%)
<u>Tax benefit / (expense)</u>	<u>0.4</u>	<u>0.5</u>	
NPAT	(4.1)	(1.9)	(121%)
Basic EPS (cents)	(1.7)	(0.8)	(114%)

Organic  
Growth %

**+20%**

**+4.5%**

**+20%**

*Highlights*

Group Revenue

**47%**

ARR

**20%**

Operating Profit

**37%**

Operating expenses increase of 33% has been mainly driven by acquisition impact from Potential (x) in Oct 2021 (3 months costs in 1H FY22 vs. 6 months costs in 1H FY23). Exclude acquisition impact, organic expenses increase year on year was 4.5%.

# 1H Cashflow

CONSOLIDATED GROUP (\$M)	1H FY23 Actual	1H FY22 Actual
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	13.4	6.6
Payments to suppliers and employees	(12.9)	(8.9)
<u>Other receipts/(paid)</u>	<u>0.0</u>	<u>0.0</u>
Net cash provided by operating activities	<b>0.5</b>	<b>(2.2)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Payment for purchase of business, net of cash acquired	0.0	(2.7)
Payments for property, plant and equipment	(0.0)	(0.0)
Payments for intangibles	(1.2)	(2.2)
Net cash provided by investing activities	<b>(1.3)</b>	<b>(4.9)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares, net of transaction costs	0.0	0.2
<u>Repayment of lease liabilities</u>	<u>(0.2)</u>	<u>(0.2)</u>
Net cash provided by financing activities	<b>(0.2)</b>	<b>(0.0)</b>
<b>Net increase/decrease in cash held</b>	<b>(0.9)</b>	<b>(7.1)</b>
<u>Opening Cash Balance</u>	<u>6.3</u>	<u>14.1</u>
<b>Cash and cash equivalents at end of period</b>	<b>5.4</b>	<b>7.0</b>
	1H FY23	1H FY22
<b>Net cash exclude acquisitions</b>	<b>Actual</b>	<b>Actual</b>
Net cash provided by operating activities	0.5	(2.2)
Net cash provided by investing activities (exclude acquisitions)	(1.3)	(2.2)
<u>Net cash provided by financing activities</u>	<u>(0.2)</u>	<u>(0.2)</u>
<b>Net cash exclude acquisitions</b>	<b>(1.0)</b>	<b>(4.6)</b>

## 1H FY23 Comments

**\$0.5M**

Operating net cash positive

**+\$3.6M**


Net cash excl acquisition improvement  
1H FY23 vs. 1H FY22


**\$5.4M**


Cash balance


# Executive Summary 1H FY23 Highlights


  
Annual recurring  
Revenue  
**\$20.1M**  
↑ **20%**  
PCP\*

  
1H Operating  
profit  
**\$(0.9)M**  
↑ **+0.5M**  
PCP

  
1H Reported  
Revenue  
**\$10.5M**  
↑ **47%**  
PCP

  
1H Positive  
operating cash flow  
**+\$0.5M**

  
1H International  
Revenue  
**\$3.2M**  
↑ **55%**  
PCP

  
1H Net cash  
improvement  
vs. 1H FY22 excl  
acquisition  
**+\$3.6M**

Prior Corresponding Period "PCP"

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# Thank you

# Appendices

# Balance Sheet

	1H FY23	1H FY22	
CONSOLIDATED GROUP (\$M)	Actual	Actual	
<b>Current assets</b>			
Cash & cash equivalents	5.4	7.0	<b>Comments</b>
Trade & other receivables	5.0	5.2	
Contracts	<u>0.0</u>	<u>0.5</u>	
<b>Total current assets</b>	<b>10.4</b>	<b>12.7</b>	
			<b>\$5.4m cash balance</b>
<b>Non current assets</b>			
Property plant & equipment	0.3	0.7	
Right of use assets (property leases)	0.4	0.8	
Intangibles	46.6	48.4	
Deferred Tax assets	<u>2.3</u>	<u>1.7</u>	
<b>Total non current assets</b>	<b>49.6</b>	<b>51.6</b>	
			<b>1H FY23 operating cash positive</b>
<b>Current Liabilities</b>			
Trade & other payables	4.7	2.1	
Contract liabilities	2.5	1.9	
Employee benefits	1.1	1.1	
Deferred considerations – shares	3.9	0.0	
Other liabilities	<u>0.3</u>	<u>0.5</u>	
<b>Total current liabilities</b>	<b>12.5</b>	<b>5.9</b>	
			<b>\$3.9m deferred consideration is equity, not cash and expected in FY24</b>
<b>Non current liabilities</b>			
Deferred consideration	0.0	5.5	
Deferred tax liabilities	1.7	0.6	
Investment bond payable	0.5	0.5	
Other non current liabilities	<u>0.2</u>	<u>0.2</u>	
<b>Total non current liabilities</b>	<b>2.4</b>	<b>7.4</b>	
<b>Net Assets</b>	<b>45.0</b>	<b>51.0</b>	