Beamtree®

1H FY24 Results

14th February 2024

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1H FY24 Highlights

1H FY24 Financial Highlights

↑**20%**
PCP
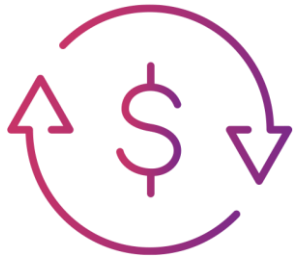
Annual Recurring Revenue

$24.2M

↑**23%**
PCP

Reported Revenue

$13.0M

↑**45%**
PCP

International Revenue

$4.7M

↑**38%**
PCP

Operating Profit

$(0.5)M

*Cash excludes +$1.0M due from international customer

Cash

$5.1M*

1H FY23:

$20.1M

$10.5M

$3.2M

$(0.9)M

$5.4M

PCP: Prior Corresponding Period "PCP"

3

1HFY24 Divisional Highlights

Diagnostic Technology:

Indirect Sales: via partnership with Abbott Laboratories Inc.

- 3 new tier 1 licences (Greece, Mexico and Italy) issued during the period.
- Second revenue sharing co-sale licence confirmed, in Australia with St. Vincent's Hospital Melbourne.
- Abbott sales pipeline continues to grow.

Direct Sales:

- Implementation of RippleDown in Coventry & Warwickshire NHS Trust, post pilot, providing a strong reference site in the UK. Additional UK sites planned for 2H FY24.
- Supported the largest implementation of RippleDown to date in South Africa with 44 knowledge bases established to drive automation.
- Pipeline growing in core markets (ANZ, UK, Canada, Europe) with several paid for offline analysis planned for 2H FY24.

Clinical Decision Support:

Continued building of evidence to support Beamtree's AI in transforming patient safety

- UK offline analysis of clinical data using our Ainsoff Deterioration Index™ (ADI) provided further evidence of the better predictive capability at 24 hours in advance of deterioration versus other systems' prediction indicators 4 hours in advance.

Sales momentum:

- Australia – ADI technology implemented in South Australia and New South Wales. Both hospitals renewed their ADI contracts.
- Gold Coast Hospital and Health Service have signed a 12-month contract to trial ADI with the intention to act for a reference site for the rest of Queensland.
- Asia Pacific - contract to install in major hospital in Hong Kong for a 12-month detailed trial now agreed. If successful ADI will be rolled out to a further 18 hospitals, subject to agreeing commercials.
- United Kingdom - ADI is now being implemented in four leading NHS hospitals for 12-month trial projects.

RippleDown™ Expert   RippleDown™ Auditor

Ainsoff™ Deterioration Index

1H FY24 Divisional Highlights

Coding Assistance and Data Quality

- Implemented +20% price uplift in ANZ market. Minimal customer churn experienced.
- Announced extension of strategic partnership with Lean in Saudi Arabia for the development of an integrated coding platform combining both parties' existing technologies. This new coding platform will be launched in Saudi in 2024 and into other international markets in FY25.
- Completed a $1m health information management strategy advisory contract in Saudi alongside our partner Lean.
- Renewed our national contract for PICQ in the Republic of Ireland.
- In procurement stage for two national agency implementations of PICQ in the Middle East (following completion of audits).
- Work continuing in British Columbia for the audit of coding data using PICQ for 14 hospitals.
- Three Integrated Care Boards in England have signed up for the audit of coding data using PICQ in 2024.

Picq® **Risq™**

Analytics and Knowledge Networks
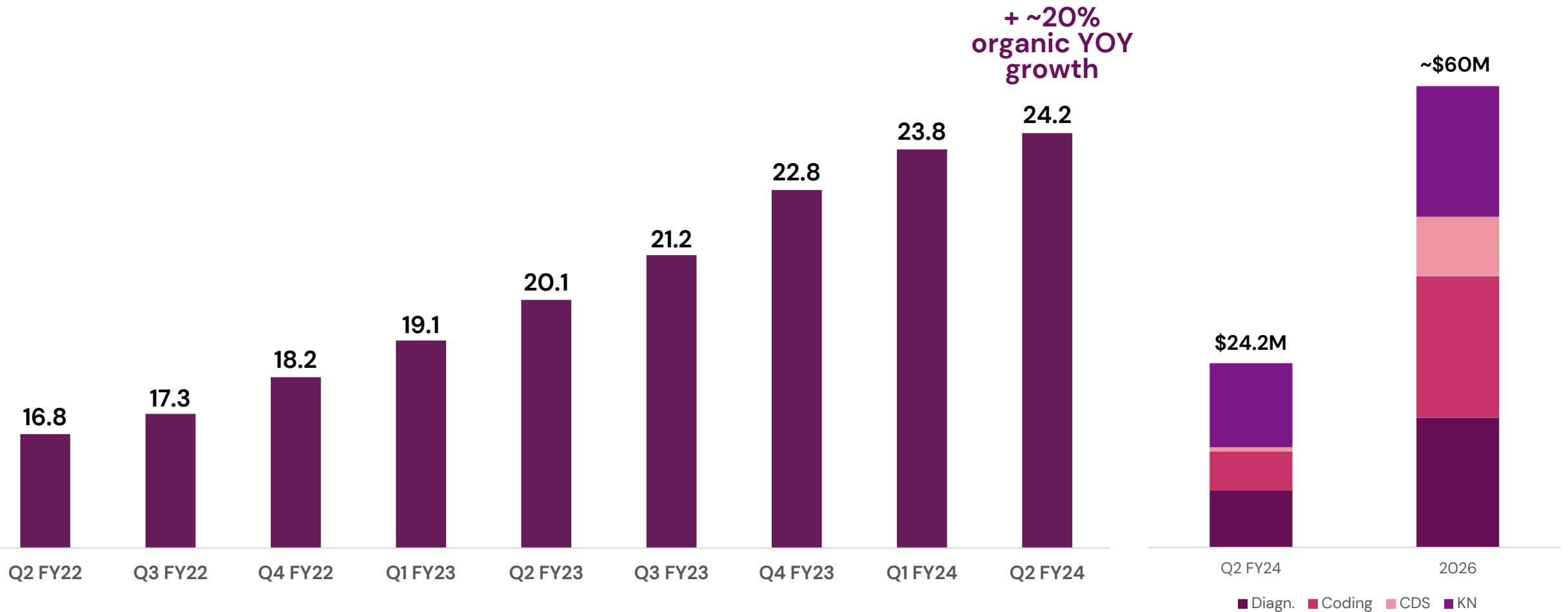
Sales momentum

- +97% renewal rates in latest subscription activity prior to implementation of new data platform.
- Significant work ongoing on building the new data platform and enhancing the existing analytics offering for customers to leverage the data received from 230 hospitals across ANZ.
- New data platform expected to be leveraged into adjacent markets including the Ability Roundtable and international markets.

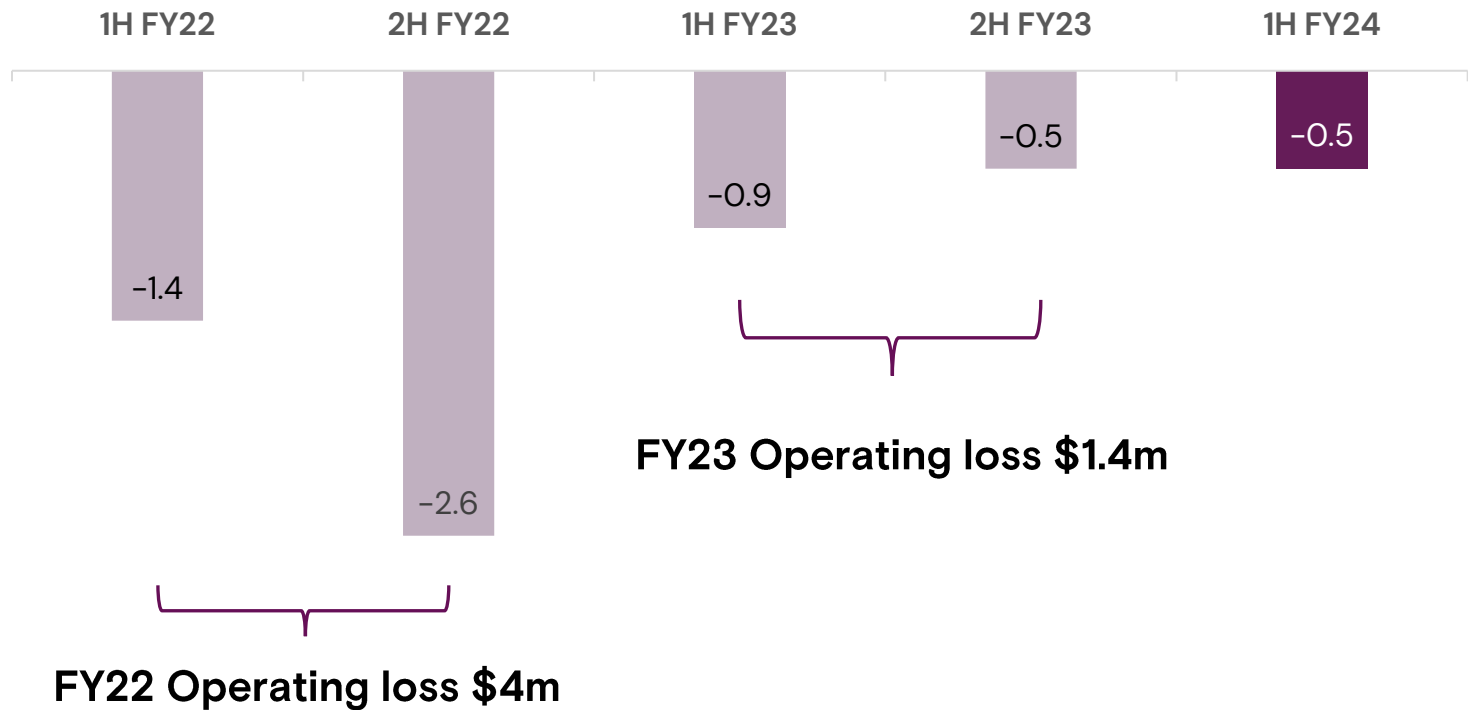**HEALTH ROUNDTABLE** **the ability roundtable** **Workforce Wellbeing Collaborative Program**

Annual Recurring Revenue* (ARR) ($'M) Trend

+ ~20% organic YOY growth

Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
16.8	17.3	18.2	19.1	20.1	21.2	22.8	23.8	24.2

$24.2M — Q2 FY24

~$60M — 2026

Legend: ■ Diagn. ■ Coding ■ CDS ■ KN

Continued Improvement in Profitability

1H FY22	2H FY22	1H FY23	2H FY23	1H FY24
−1.4	−2.6	−0.9	−0.5	−0.5

FY23 Operating loss $1.4m

FY22 Operating loss $4m

- 1H FY24 delivered a similar results vs 2H FY24 while increasing the investment in international expansion.

- Ongoing investments in 1H FY24 include:

  - International business development including appointment of Chief Growth Officer (~$1.5m)

  - ADI product and business development(~$1m)

  - Cyber security upgrade (~$0.3m)

  - Data platform upgrade (capital, $1m)

  - Other (e.g. USydney, Auto coding)

Long Term Horizon – No Change on Long Term Opportunity

Main Drivers of Growth:
– Customer retention and upselling ~70% of the growth will come from overseas market.

ARR $60M

ARR $24.2M

ARR $20M

~35%
<5%
~25%

~45%

FY24

2022

2026

~35% ~40%

~15% ~20%

~20% ~30%

~25% ~30%

Abbott (3+2 year) contract with revenue share, pipeline growing

International direct RippleDown sales, pipeline growing

Sales of Clinical Decision Support product both ANZ and internationally

International expansion of coding products into new markets, recent Lean agreement for product development expected to increase opportunities

Investment in new data platform and associated analytics refresh provides opportunities to expand into adjacent markets and internationally.

- Analytics & Knowledge Networks
- Coding Assistance and Data Quality
- CDS (Ainsoff AI)
- Diagnostic Technology

FY24 Outlook – No Change

Management reaffirms long term outlook of delivering annual recurring revenue of $60m by 2026	Targeting FY24 organic revenue growth of +20%	Continued focus on cost management with cost growth % targeted to be lower than revenue growth %	Beamtree is on target to deliver a positive operating profit in FY24

Divisional Growth

Diagnostic Technology: Capitalise sales momentum on direct and indirect (Abbott) pipeline

Clinical Decision Support: Expand ANZ footprint and focus on sales momentum in international markets

Coding Assistance & Data Quality: Additional data quality audits leading to significant product sales – international markets

Analytics & Knowledge Networks: Upgrade data platform infrastructure and related services to drive growth

Beamtree Strategy

Beamtree®

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'

Beamtree is committed to supporting learning health systems
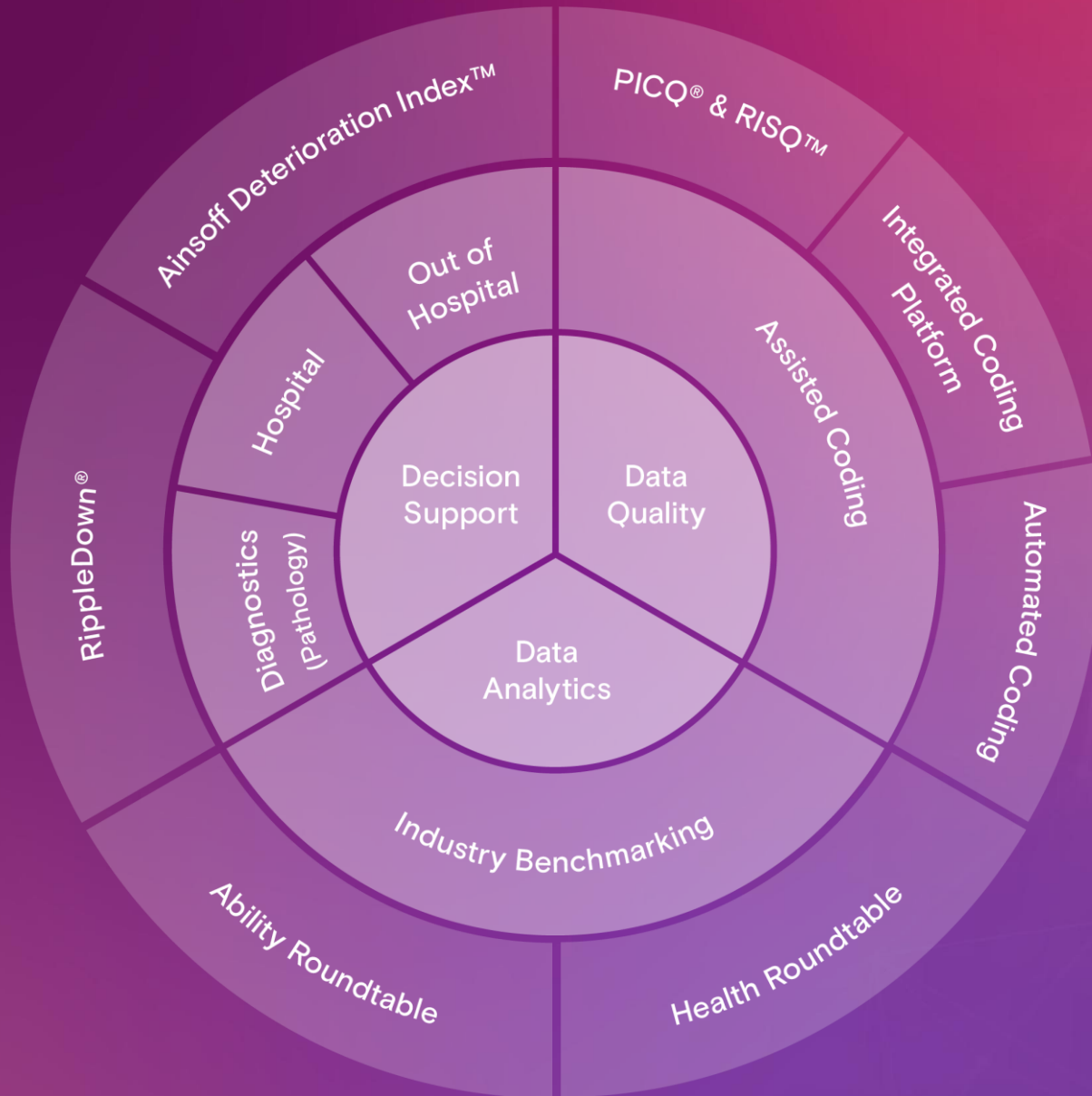
Driving continuous improvement by better access to healthcare information – towards safety, quality and efficiency.

Ainsoff Deterioration Index™

PICQ® & RISQ™

Integrated Coding Platform

Out of Hospital

Hospital

RippleDown®

Diagnostics (Pathology)

Decision Support

Data Quality

Assisted Coding

Automated Coding

Data Analytics

Industry Benchmarking

Ability Roundtable

Health Roundtable

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
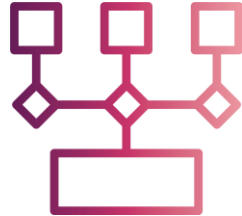
Clinical Decision Support in acute care

Coding Assistance & Data Quality

Analytics & Knowledge Networks

The Problems We Help Solve
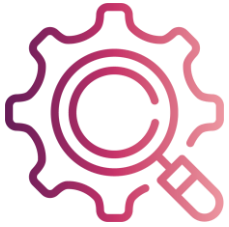
Tackle unwarranted variation

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™

Clinical Decision Support

Combining human and artificial expertise with machine learning to enhance decisions that improve care, value and experience.
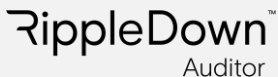
Ainsoff™ Deterioration Index

Analytics and Knowledge Networks

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

HEALTH ROUNDTABLE   the ability roundtable   Workforce Wellbeing Collaborative Program

Key Areas, Key Products and What They Do

	Product/ Solutions	Application	Problem Solved	ROI	Pricing/Scale
Diagnostic Technology	**RippleDown** Expert	**Clinical** 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, Typically annual or multi year contracts
	RippleDown Auditor	**Financial** 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	
Coding Assistance and Data Quality	Picq®	Audit / benchmark tool to check and **recognise activity** for accurate coding / **highlight risk** 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 Typically annual or multi year contracts
	Risq				
Clinical Decision Support (CDS)	Ainsoff Deterioration Index	**Clinical** 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 New products so pricing model evolving
Analytics & Knowledge Networks	**Together with** HEALTH ROUNDTABLE	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

International Expansion

International Growth : NHS pathfinder sites
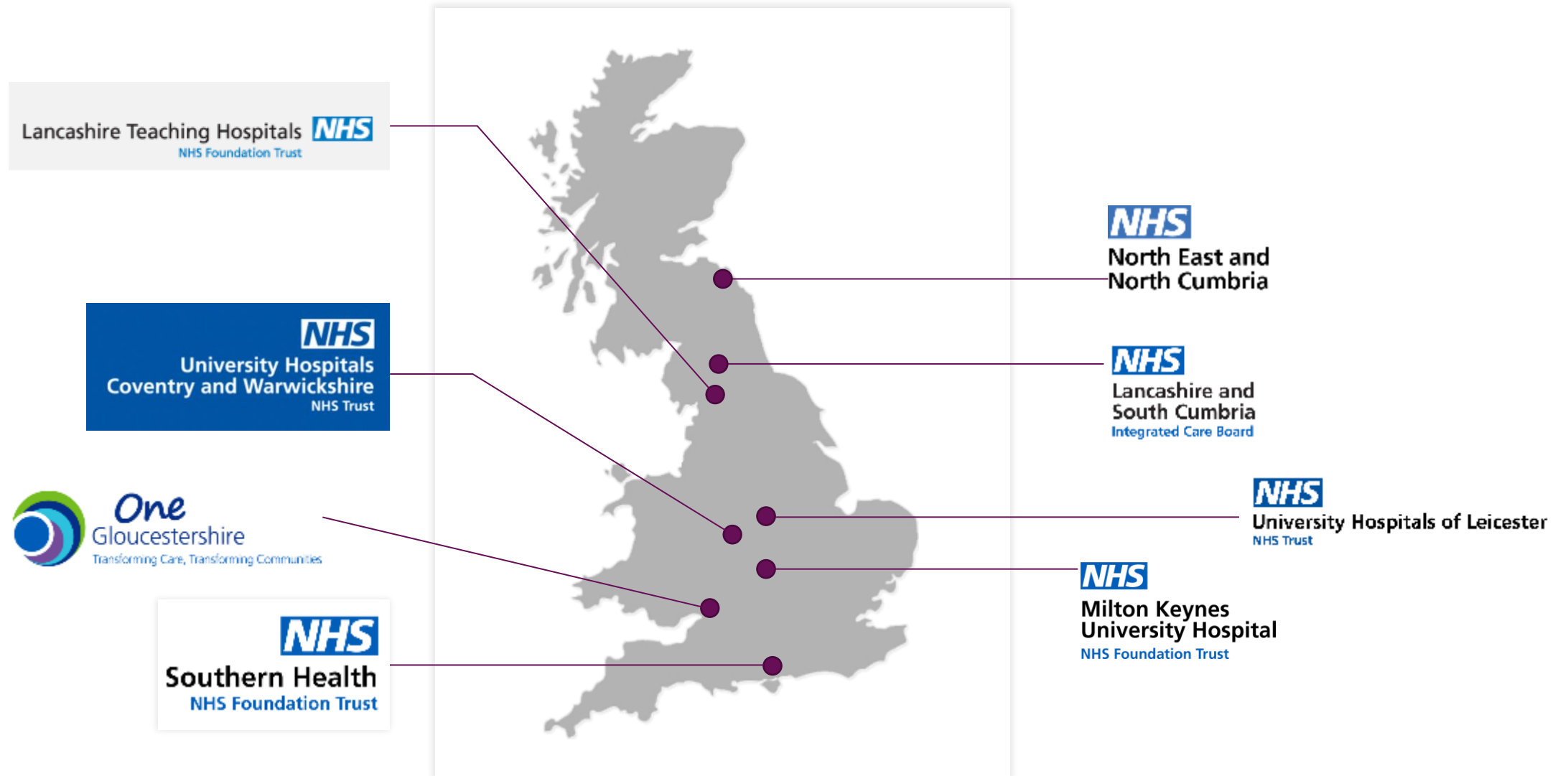
International Growth: Saudi Arabia

Phase 1: Since 2021, key contracts with government regulators setting data quality standards to deliver:
- Center for National Health Insurance – national review of coding quality at MoH hospitals
- National Casemix Center of Excellence – national health information governance strategy
- National Health Information Center – ongoing centralised routine data quality assurance for public and private hospitals

Phase 2: Since 2023, we have partnered with Lean Business Services:
- to co-develop the Integrated Coding Platform, launching globally in FY25
- in commercial partnership for GCC sales

Lean is a government-owned company, working as a key enabler of e-health innovation across the Saudi Arabian health system, including development of the national unified health information platforms for patients and providers

Phase 3: Direct hospital sales from 2024 with an initial focus on coding products to leverage Phase 1 and 2 work – *first in Saudi Arabia and then across the GCC*

International Growth: British Columbia sites
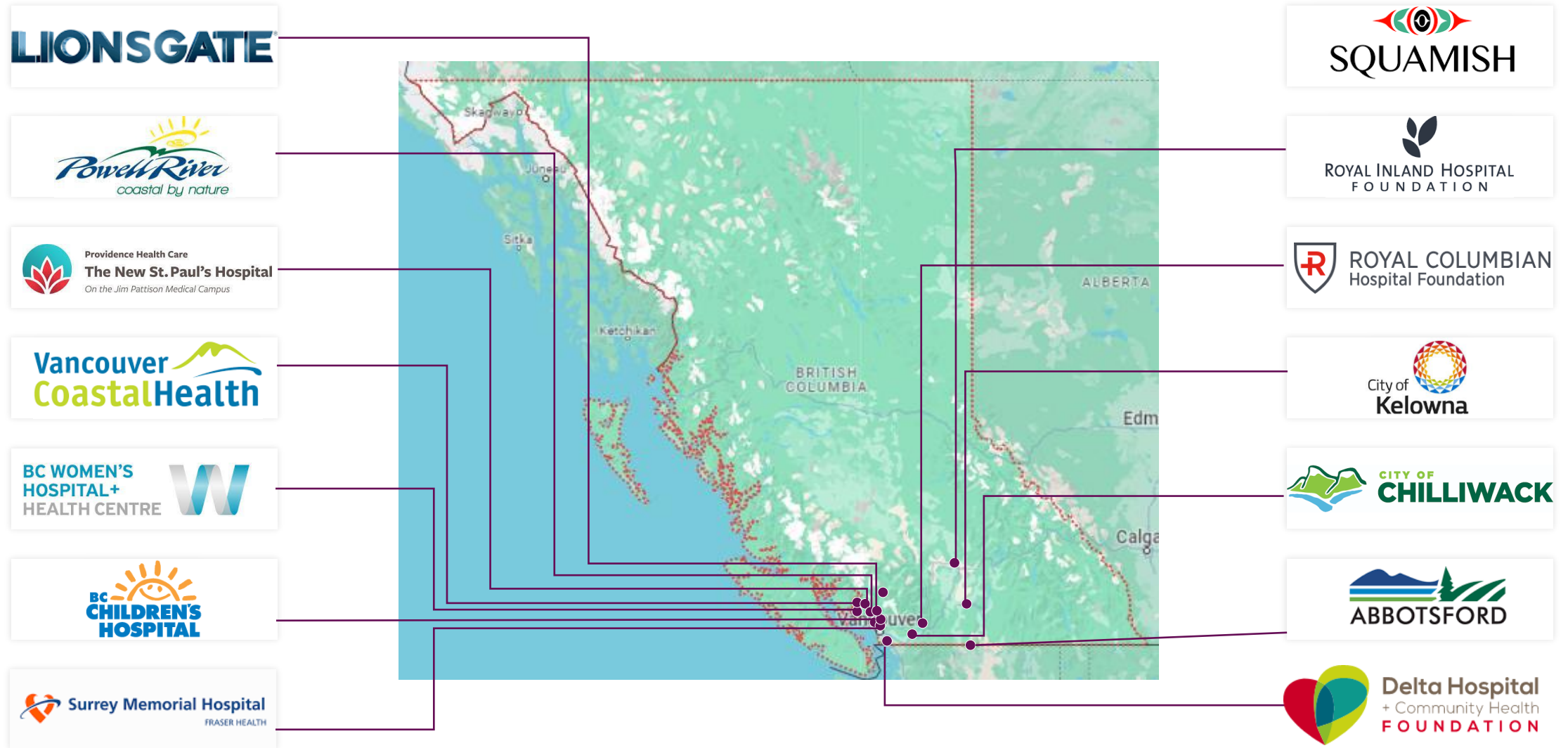
1H FY24 Financial Results

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

1H FY22: 16.8
Organic growth: 3.3
1H FY23: 20.1 ↑ +20% organic PCP
Organic growth: 4.1
1H FY24: 24.2 ↑ +20% organic PCP
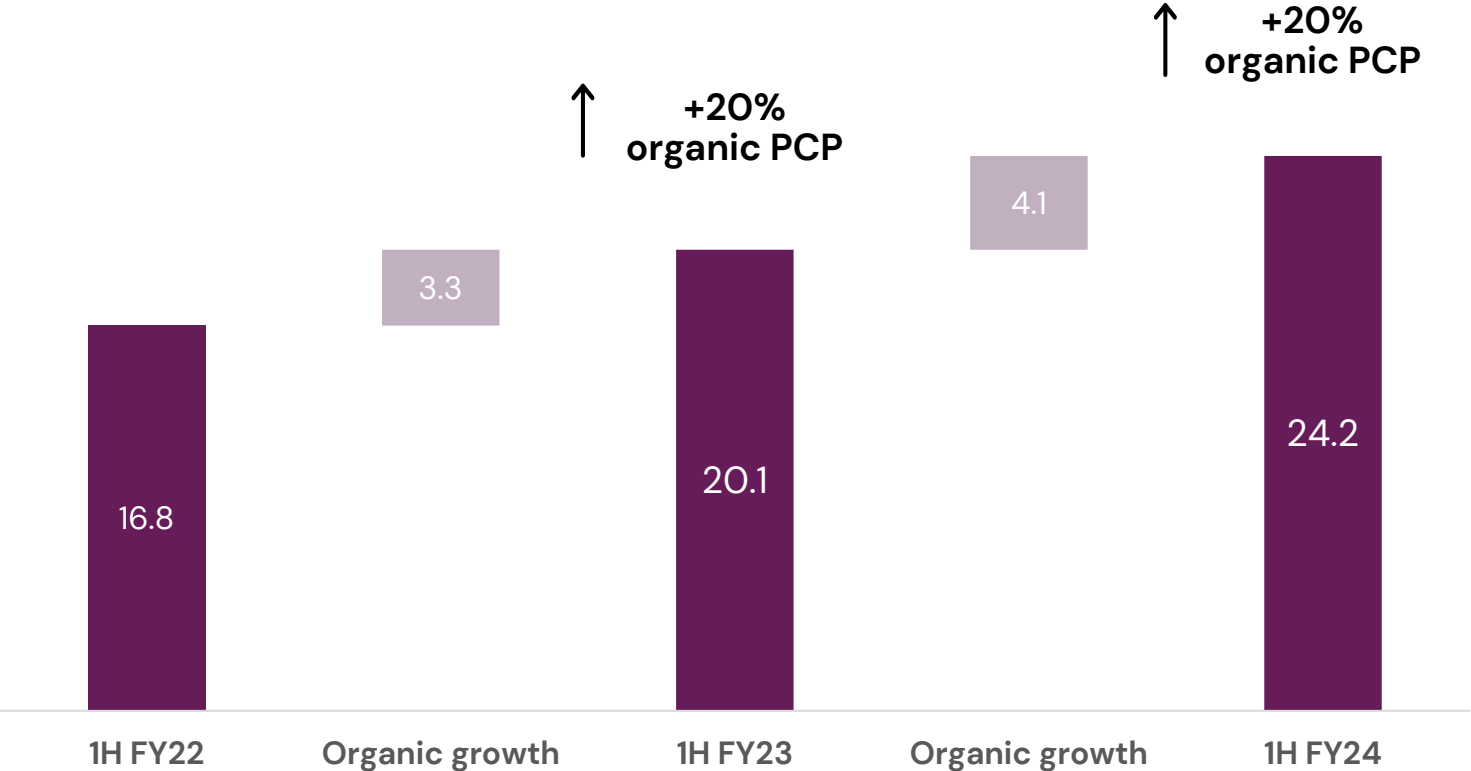
Comments

- 24% growth in incremental ARR growth in 1HFY24 vs 1H FY23

- Main drivers (~80%) of ARR growth have Diagnostics and our Coding products.

- International growth, at 36% of reported revenue and growing at 45% in 1H FY24, is the significant driver of the ARR growth going forward.

Prior Corresponding Period "PCP"

1H Reported Revenue Growth ($'M)

+23% PCP (all organic)

+47% PCP 10% organic

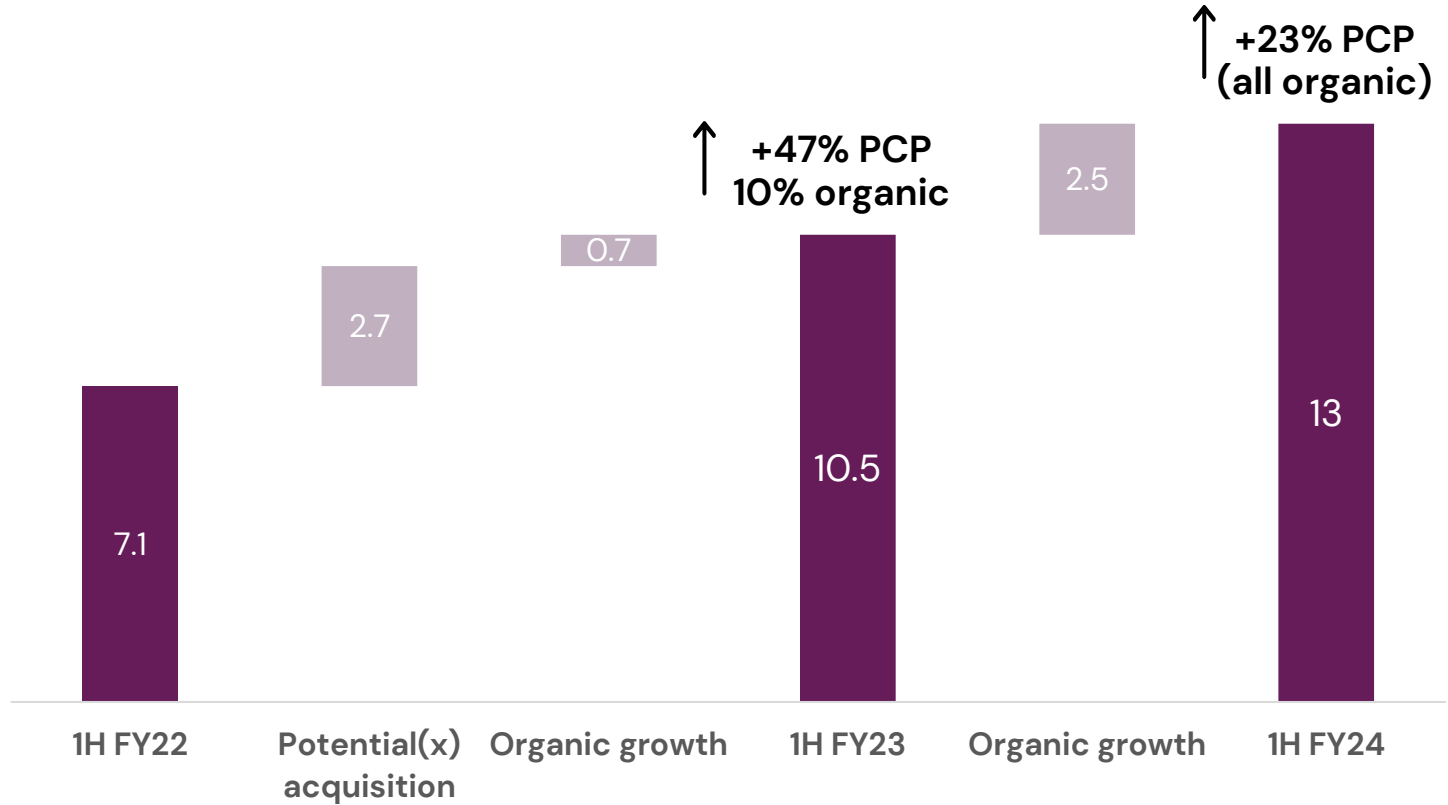|	1H FY22	Potential(x) acquisition	Organic growth	1H FY23	Organic growth	1H FY24
Value	7.1	2.7	0.7	10.5	2.5	13

Comments

- Revenue growth contribution came from all four segments of Beamtree.

- Increasing activity in Saudi Arabia and Canada contributed to ~$1m of organic revenue growth.

- Coding growth of ~$0.5m was driven by recent above inflation price increases in ANZ and additional new customers

- Knowledge Networks revenue growth of $0.5m was driven by increased product sales to existing customers and new customers.

- Diagnostics revenue growth driven by Abbott new licences and price and volume increases.
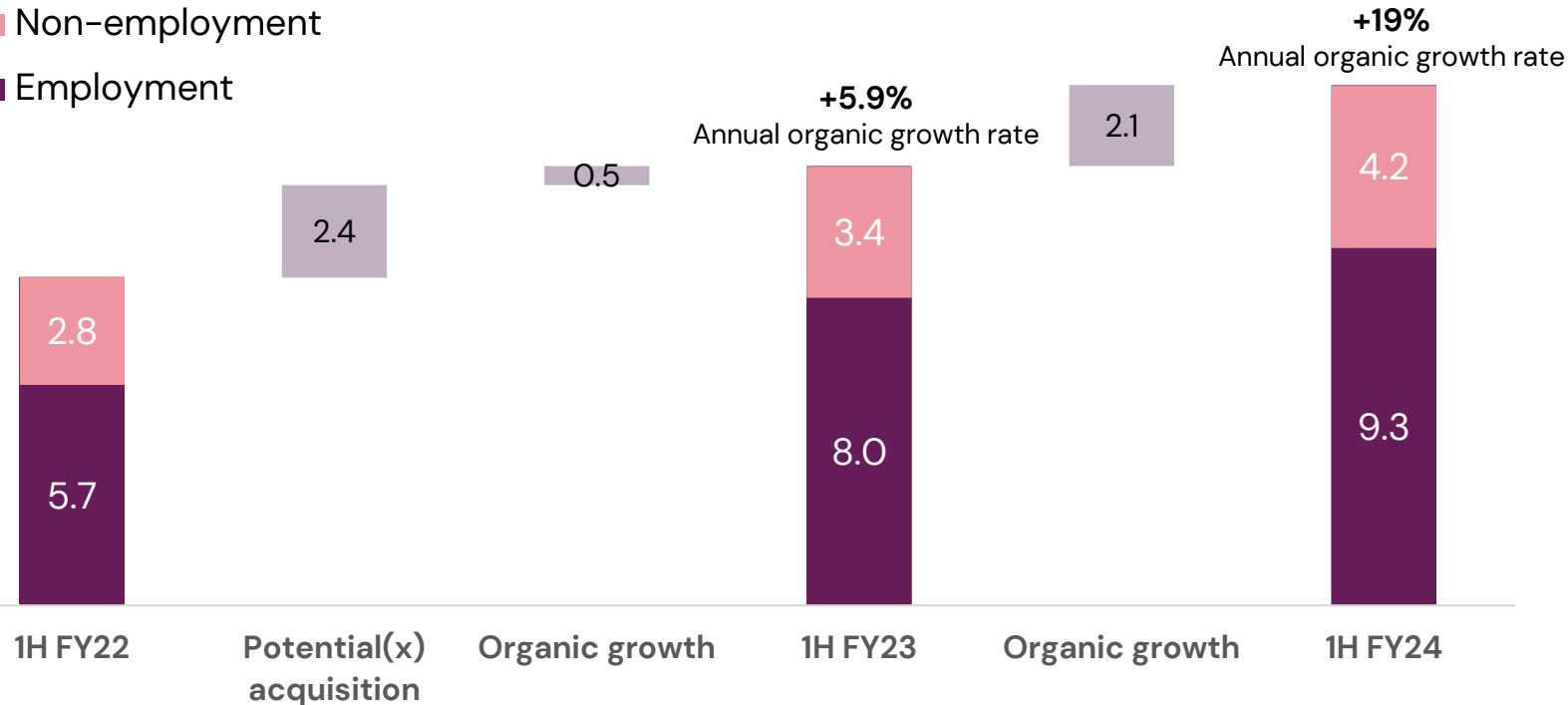
23

Organic growth excludes Potential(x) acquisition impact. Potential(x) acquisition was completed on 1st Oct 2022

Prior Corresponding Period "PCP"

1H Operating Expenses & Investments ($'M)

Comments

- 1H FY24 operating expense grew 19% versus revenue growth of 23%.

- The main drivers of the $2.1m opex growth were:

  - $1.3m increase in employment costs driven by third part contractors to deliver Saudi and Canadian projects, investment in additional capabilities (Chief Growth Officer, new Head of Insights & Analytics, new Head of Cyber Security and new Cyber Operations position)

  - $0.8m increase in non-employment opex driven by investment in new cyber software tools ($0.2m), higher cloud hosting costs ($0.2m, FX driven) increased insurance costs ($0.1m) and increased travel costs $0.25m.

Prior Corresponding Period "PCP"

Revenue & Operating Profit Trend and EBITDA

Reported revenue $m

+10% Organic growth   +23% Organic growth

| 7.1 | 9.4 | 10.5 | 12.3 | 12.9 |

Operating profit $m

| -1.4 | -2.6 | -0.9 | -0.5 | -0.5 |

+38% improvement

| 1H FY22 | 2H FY22 | 1H FY23 | 2H FY23 | 1H FY24 |
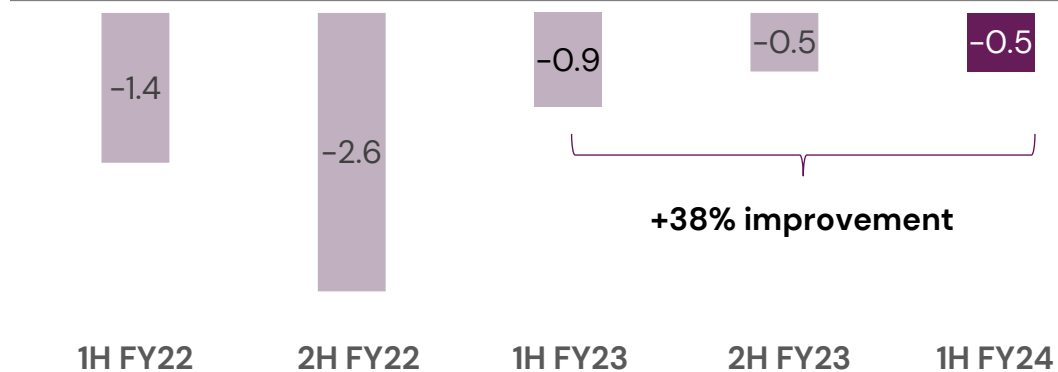
Adjustments to Operating Profit vs. reported EBITDA ($M)

	1H FY22	1H FY23	1H FY24
Operating Profit	**(1.4)**	**(0.9)**	**(0.5)**
Non operating expenses (cash)			
Transaction cost	(0.1)	0.0	0.0
Impact of AASB 16	0.2	0.2	0.2
Other income (government grant & sublease rent income)	0.1	0.0	0.0
Redundancies	0.0	(0.2)	(0.1)
Total Non operating expenses (cash)	**0.2**	**(0.0)**	**0.1**
	(1.2)	(0.9)	(0.5)
Non operating expenses (non cash)			
Foreign exchange (Loss) / Gain	(0.0)	(0.2)	(0.2)
Share based payment & Employee share scheme related expense	(0.1)	(0.5)	(0.5)
Fair value adjustment - deferred consideration shares	0.3	(0.6)	0.4
Total Non operating expenses (non cash)	**0.2**	**(1.2)**	**(0.3)**
EBITDA	**(1.0)**	**(2.1)**	**(0.8)**

1H Summary Profit and Loss

P&L ($M)	1H FY24 Actual	1H FY23 Actual	Change FY23-24
Revenue	**12.9**	**10.5**	**23%**
Annual recurring revenue (ARR)	*24.2*	*20.1*	*20%*
Expenses – staff	(9.3)	(8.0)	16%
Expenses – non staff	(4.2)	(3.4)	24%
Total operating expenses	(13.5)	(11.4)	19%
Operating profit	(0.5)	(0.9)	38%
Reported EBITDA	(0.8)	(2.1)	63%
Depreciation & amortisation	(2.7)	(2.4)	12%
Profit before tax	(3.4)	(4.5)	24%
Tax benefit / (expense)	0.5	0.4	27%
NPAT	(2.9)	(4.1)	30%
Basic EPS (cents)	(1.1)	(1.7)	38%

Group Revenue

+23%

Opex

+19%

Operating Profit

+38%

EBITDA

+63%

1H Cashflow

CF ($M)	1H FY24 Actual	1H FY23 Actual
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	14.0	13.4
Payments to suppliers and employees (inclusive of GST)	(16.3)	(12.9)
Net cash from/(used in) operating activities	**(2.3)**	**0.5**
Cash flows from investing activities		
Payments for intangibles	(2.0)	(1.3)
Net cash used in investing activities	**(2.0)**	**(1.3)**
Cash flows from financing activities		
Proceeds from issue of shares (net of transaction costs)	0.7	-
Repayment of lease liabilities	(0.2)	(0.2)
Net cash from/(used in) financing activities	**0.6**	**(0.2)**
Net increase/ (decrease) in cash and cash equivalents	(3.7)	(0.9)
Cash and cash equivalents at the beginning of the financial period	8.8	6.4
Cash and cash equivalents at the end of the financial period	**5.1**	**5.4**

Comments

Operating cashflow

- 1H FY24 operating cashflow impacted by delayed receipt of ~$1.0m from international customer as well as increased use of third-party contractors to deliver Saudi and Canadian projects.

Payment for Intangibles (Software Dev.)

- As previously indicated, Beamtree has increased its software development capitalisation for FY24 to ~$3.5m. The increase is driven by the upgrade in the data platform. The new Coding project with Lean will result in software capitalisation being ~$4.2m for FY24.

Cashflow from Financing Activities

- Proceeds from issue of shares is $0.6m from exercise of 6m $0.10 options by Bombora Investment Mgmt. and $0.1m from Directors (capital raise commitment)

1H Balance Sheet

BS ($M)	Dec-23 Actual	Jun-23 Actual	Dec-22 Actual
Current assets			
Cash and cash equivalents	5.1	8.8	5.4
Trade and other receivables	6.1	5.6	5.0
Total current assets	**11.2**	**14.4**	**10.4**
Non-current assets			
Property, plant and equipment	0.2	0.3	0.3
Right-of-use assets	0.1	0.2	0.4
Intangibles	45.2	45.7	46.6
Deferred tax assets	1.8	1.9	2.3
Total non-current assets	**47.2**	**48.1**	**49.6**
Total assets	**58.4**	**62.5**	**60.0**
Current liabilities			
Trade and other payables	3.1	5.0	4.7
Contract liabilities	3.5	3.1	2.5
Lease liabilities	0.1	0.2	0.3
Employee benefits	1.2	1.2	1.1
Deferred considerations - shares	-	2.8	3.9
Total current liabilities	**7.9**	**12.2**	**12.5**
Non-current liabilities			
Investment bond payable	0.5	0.5	0.5
Lease liabilities	-	0.1	0.1
Deferred tax liabilities	1.7	2.4	1.7
Employee benefits	0.1	0.1	0.1
Total non-current liabilities	**2.4**	**3.1**	**2.5**
Total liabilities	**10.3**	**15.3**	**15.0**
Net assets	**48.2**	**47.2**	**45.0**

Cash

$5.1m

2H burn expected to be materially lower

Trade receivable
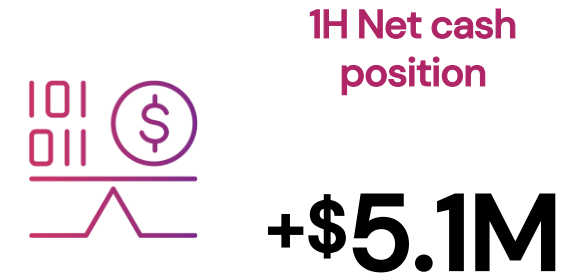
$6.1m

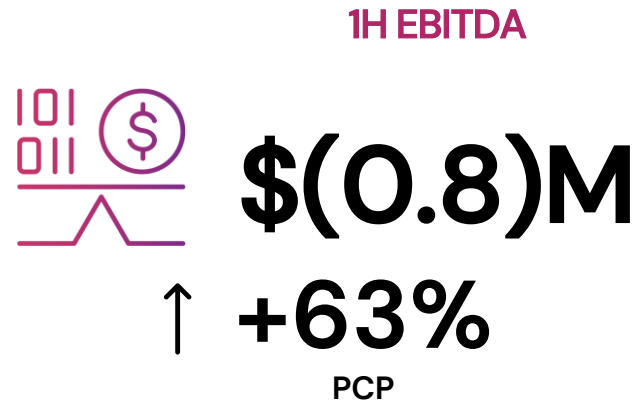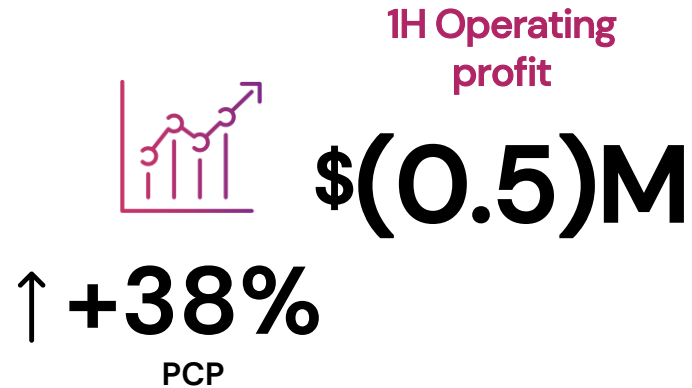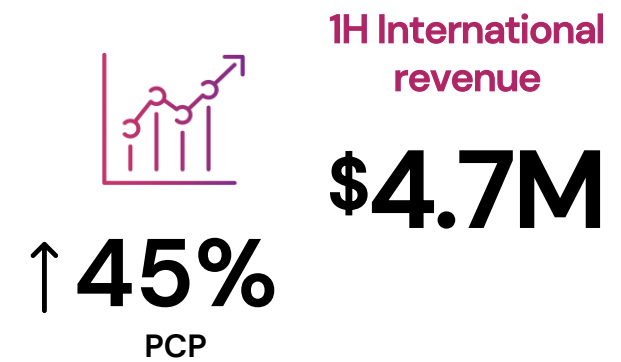**Includes $1m overdue from overseas customer**

Deferred Consideration

$0.0m

Issued in Oct 23

Executive Summary 1H FY24 Highlights

Annual recurring revenue

$24.2M

↑ 20% PCP*

1H Reported revenue

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↑ 23% PCP

1H International revenue

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↑ 45% PCP

1H Operating profit

$(0.5)M

↑ +38% PCP

1H EBITDA

$(0.8)M

↑ +63% PCP

1H Net cash position

+$5.1M
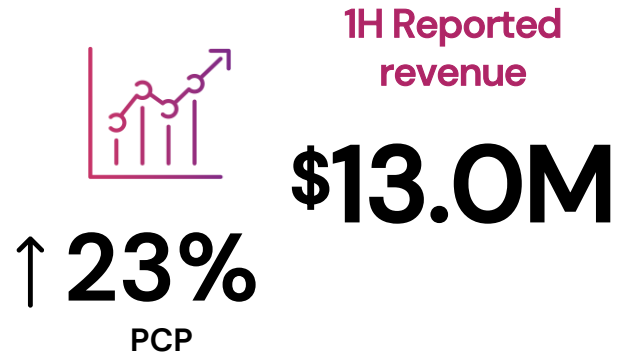
Prior Corresponding Period "PCP"

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Thank you