

Investor Presentation March 2018



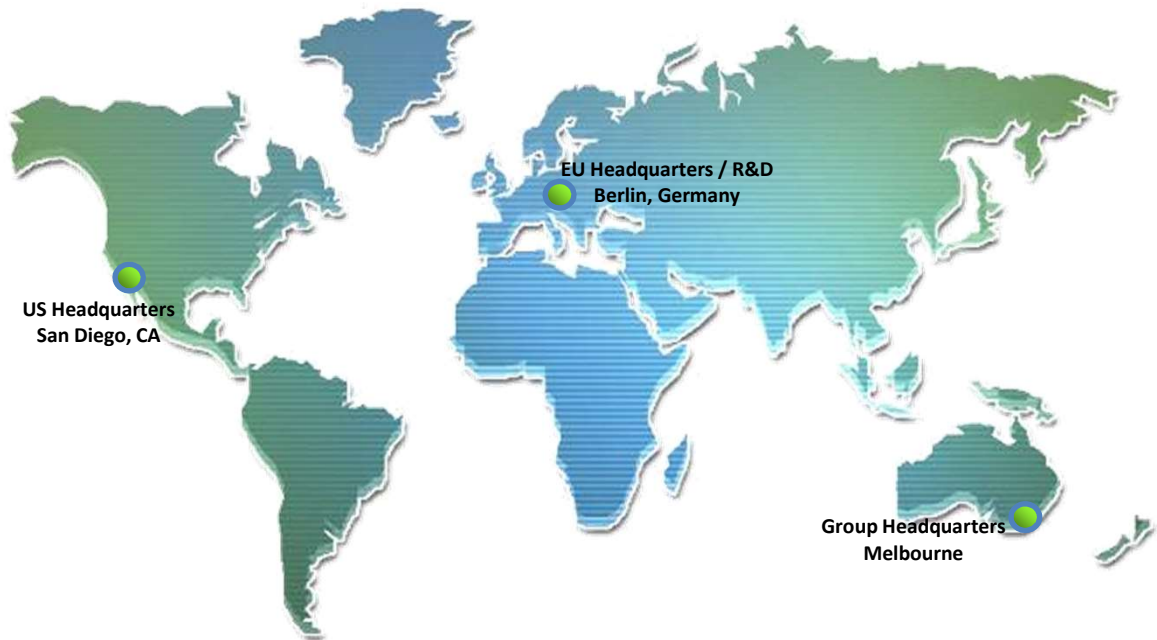
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VISAGE

Pro Medicus (ASX:PME)

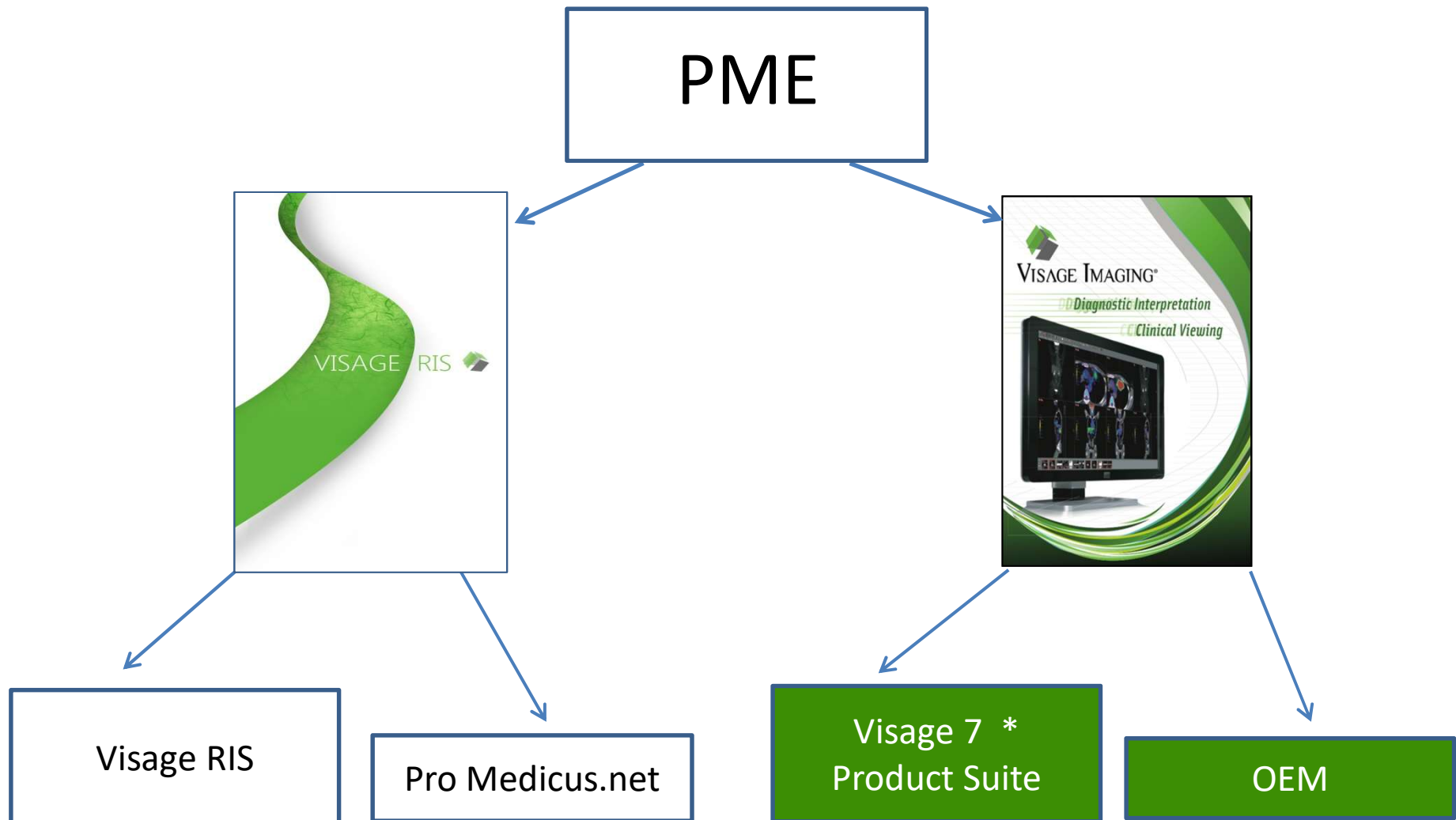
Healthcare IT company specialising in Enterprise Imaging and Radiology Information System (RIS) software.

Leading edge products, growing global presence.



Over 40 Software Engineers

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FY18 Half Year Results

- Underlying NPAT \$ 5.42M – up 33.0%
- Profit after tax \$5.07M - up 5.7%
- Margins increased pcp to 41.5%
- Cash reserves \$20.8M
- Dividend 2.5c per share ff up 66.7% pcp
- Company debt free
- Strong balance sheet

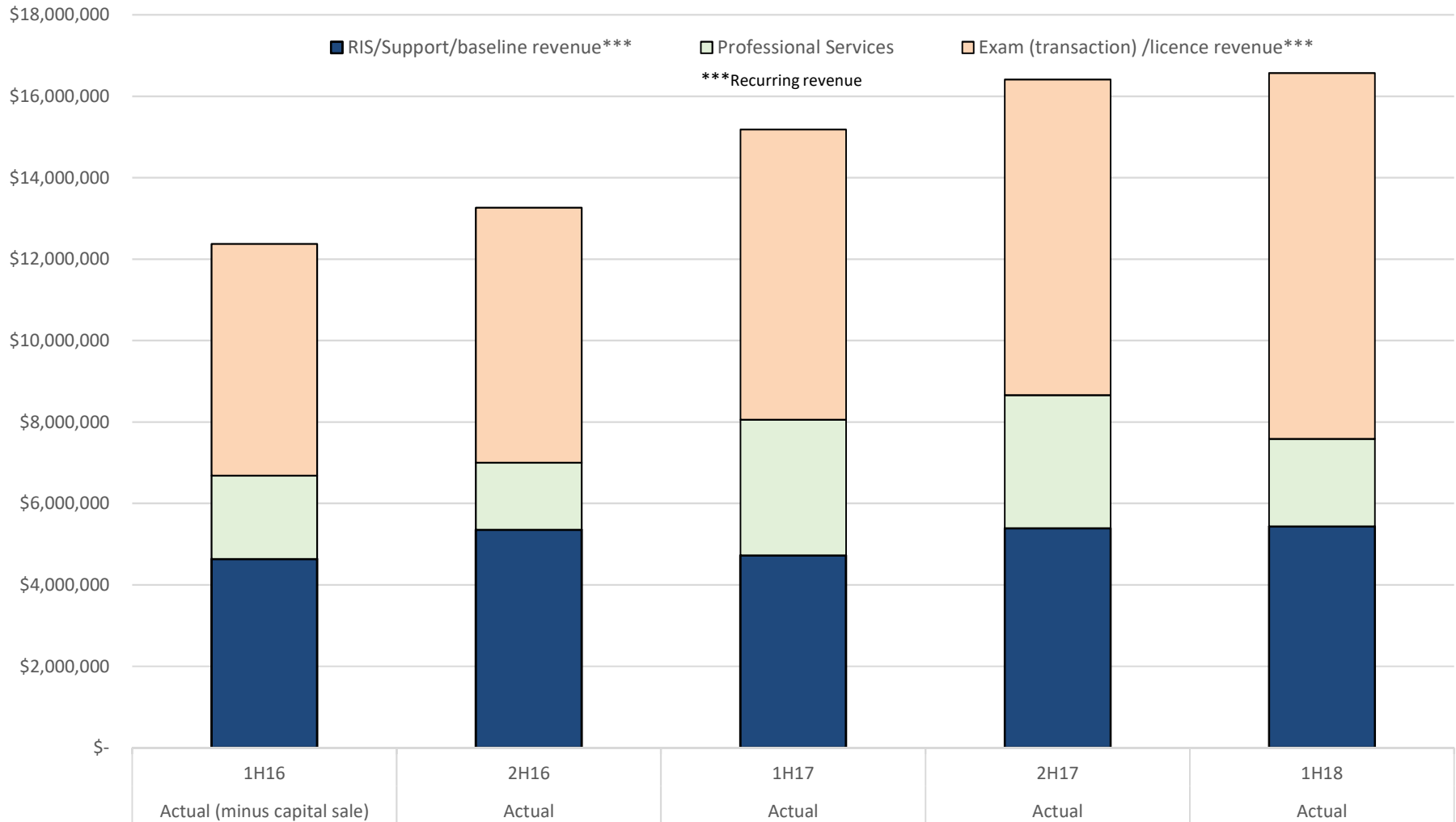


First Half FY18 in review

- November 2017 - \$18M Yale New Haven contract
- Future contracted revenue > A\$125M/5 years
- Implementations on/ahead of schedule
- Visage RIS – increased market lead
- Pipeline continues to grow



1H v 2H Revenue Profile



Professional Services

- Project planning, training & implementation
- Revenue at beginning of contract
- Non recurring in nature ~ 10% contract value
- Lower in 1st half 2018 pcp
- Increasing in 2nd half FY2018 (Mayo, Yale & others)
- Will decrease as a % of total revenue as exam (transaction) revenue increases

Exam (transaction) revenue

- Recurring in nature
- Increases from half to half as sites come online
- Significant step-up from end of 2nd half FY 2018 onwards (Mayo, Yale & Others)
- Growth from existing clients (organic and M&A) plus new clients
- Further upside with adoption of new products (Visage Open archive and Enterprise imaging)

Visage RIS

Visage RIS - Dr R Simpson (rsna) visage2 (2) @ Visage General Hospital (ris.promed.com.au)

RECEPTION TECHNOLOGIST DOCTOR TRANSCRIPTIONIST SEARCH OFFICE CLAIMING SETUP

Recent Dr R Simpson

Appointments Requested Arrival Billing Banking

Region Northern Book Visage General Hospital Tue, 17-Oct-2017 AM PM Patient Procedure Cancelled Blocked Reset 1 2

Visage X-ray Visage CT Visage US Room 1 Visage US Room 2 Visage US Room 3 Visage Mammo

Tue, 17-Oct-2017

08:30 AM 08:45 AM Blocked 09:00 AM 09:15 AM 09:30 AM 09:45 AM Blocked 10:00 AM 10:15 AM 10:30 AM 10:45 AM Blocked 11:00 AM 11:15 AM 11:30 AM 11:45 AM Blocked 12:00 PM 12:15 PM 12:30 PM 12:45 PM ADAMS, Mrs ROSE ... 01:00 PM 01:15 PM 01:30 PM 01:45 PM 02:00 PM 02:15 PM 02:30 PM 02:45 PM 03:00 PM 03:15 PM 03:30 PM 03:45 PM 04:00 PM 04:15 PM 04:30 PM 04:45 PM

08:30 AM 09:00 AM 09:30 AM 10:00 AM SMITH, Mr John: C... 11:00 AM 12:00 PM Lunch 12:30 PM Lunch 01:00 PM 01:30 PM Non Contrast 02:00 PM 02:30 PM 03:00 PM 03:30 PM 04:00 PM 04:30 PM

08:30 AM 08:15 AM TEST, Mr Roger: U... Test 43.607... 08:30 AM 08:45 AM 09:00 AM 09:15 AM 09:30 AM 09:45 AM 10:00 AM 10:15 AM 10:30 AM 10:45 AM 11:00 AM 11:15 AM 11:30 AM 11:45 AM 12:00 PM 12:15 PM 12:30 PM 12:45 PM 01:00 PM 01:15 PM 01:30 PM 01:45 PM 02:00 PM 02:15 PM 02:30 PM 02:45 PM 03:00 PM 03:15 PM 03:30 PM 03:45 PM 04:00 PM 04:15 PM 04:30 PM 04:45 PM

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09:00 AM 09:15 AM 09:30 AM 09:45 AM 10:00 AM 10:15 AM 10:30 AM 10:45 AM 11:00 AM 11:15 AM

APPOINTMENT Mr John SMITH FOLIO 10.645 ACCESSION 10.1270
Tue, 17-Oct-2017 10:30 AM - 11:00 AM
Male 05-Oct-1977 (40y) H: (03) 1212-1211 Visage General Hospital Visage
450 Swan Stree... Dr Doogie Ho (03) 9800-1231 Appointment(s) Medium

SUMMARY

Patient SMITH, Mr John 10.645
Born: 05-Oct-1977 (40y)
Male
(03) 1212-1211
Address 450 Swan Street RICHMOND VIC 3121
View all details

Referrer Dr Doogie Howser 0000000Y
Practice
Address 23 Hollywood lane ThePlace RICHMOND VIC 3121 Australia
Referral date 09-Oct-2017
Referral period 12

Accession 10.1270
Order Status Arrived (1/1)

Save Cancel

Visage RIS – Market Leader

VISAGE RIS 

- Technology is leading edge
- Feedback from customers positive
- New clients purchasing Visage RIS & PACS
- Transition of user base nearing completion
- Large scale rollouts > 1,500 users on 1 system
- Company leader in field

RIS - Australia

VISAGE RIS 


- HIS (Primary) - one of the largest diagnostic imaging service providers
- Visage RIS to be deployed in 141 practices
- 5 year transaction based agreement
- Rollout on track to commence 2nd half FY2018
- Upside as HIS grows
- Repositions PME as clear market leader



Healthcare Imaging Services
Affordable | Accessible | Imaging

PRIMARY
HEALTH CARE LIMITED

Leading Edge Product Set – Visage Imaging continues to be Number 1 in Speed, Functionality, Scalability



VISAGE IMAGING®

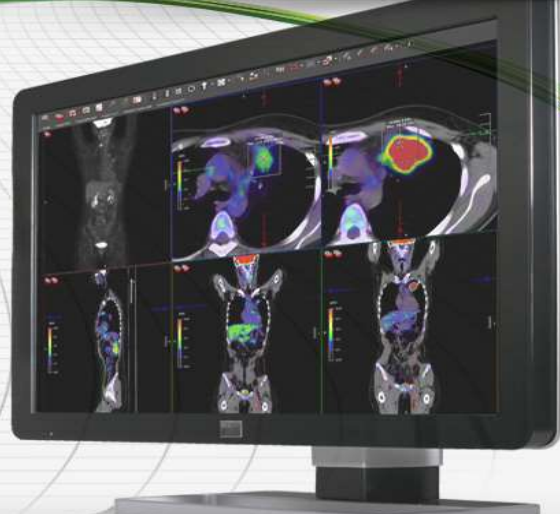
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SPEED is everything.

Amazingly fast and designed for scale.

Visage Imaging provides enterprise imaging and advanced visualization solutions for diagnostic imaging.

[LEARN MORE](#)



SPEED

With speed, you can. Visage 7 is designed for amazing speed irrespective of the type, number or size of the studies required for display, freeing up precious time for you to do more.



FUNCTIONALITY

Expectations, exceeded. Visage 7 is the essence of sophistication and simplicity, harnessing a myriad of capabilities and delivered as a multi-dimensional enterprise viewer.



SCALABILITY

One for all. Architected for ubiquitous imaging, Visage 7 is the server-side platform that streamlines complexity, allowing even the largest organizations to stay ahead of the curve.

Massive data explosion



- Higher image density - CT leaps from 64 slices to 256 and now 640
- 3.0T MRI – much larger dataset than 1.5T
- Functional Imaging e.g. PET scan often > 1.5 to 2 gigabytes
- Digital Breast Tomosynthesis (DBT) files can be over 4 to 6 gigabytes
- Prior examinations multiply the problem

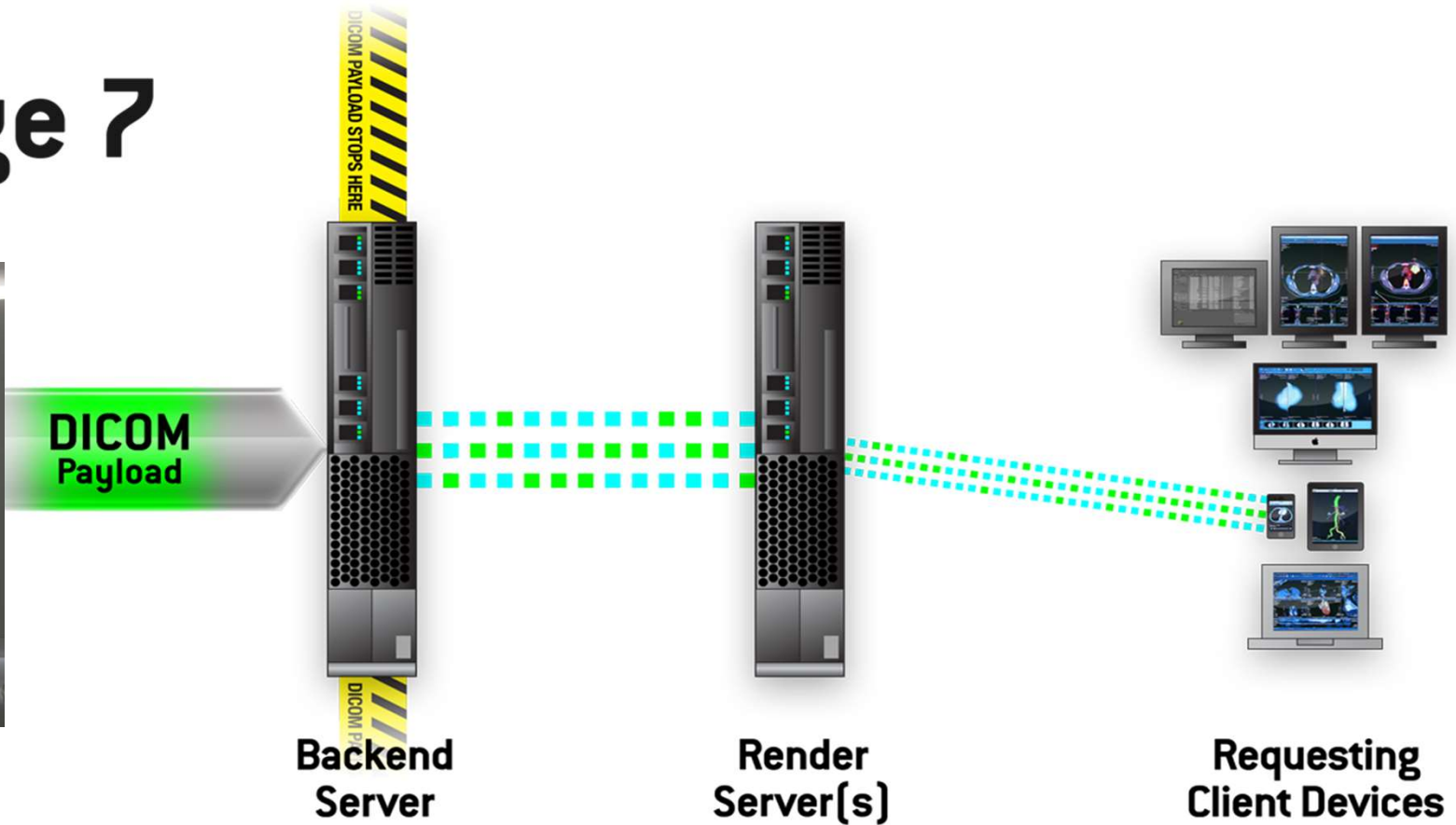
Electronic Medical Record (EMR)



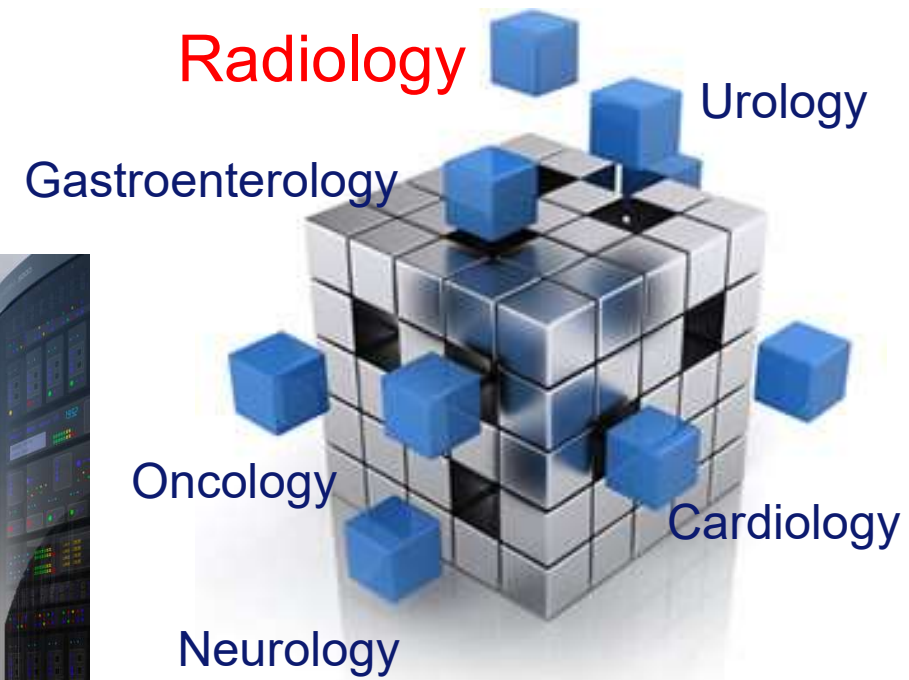
- Mandated in US Hospitals by end of 2018
- Consolidates all hospital data – clinical and financial
- 90% of EHR is imaging data (by volume)
- Need all imaging data in one repository
- Driving adoption of VNA
- Need for a single Viewer for all images

Solution - Visage 7.0 Streaming Technology

Visage 7



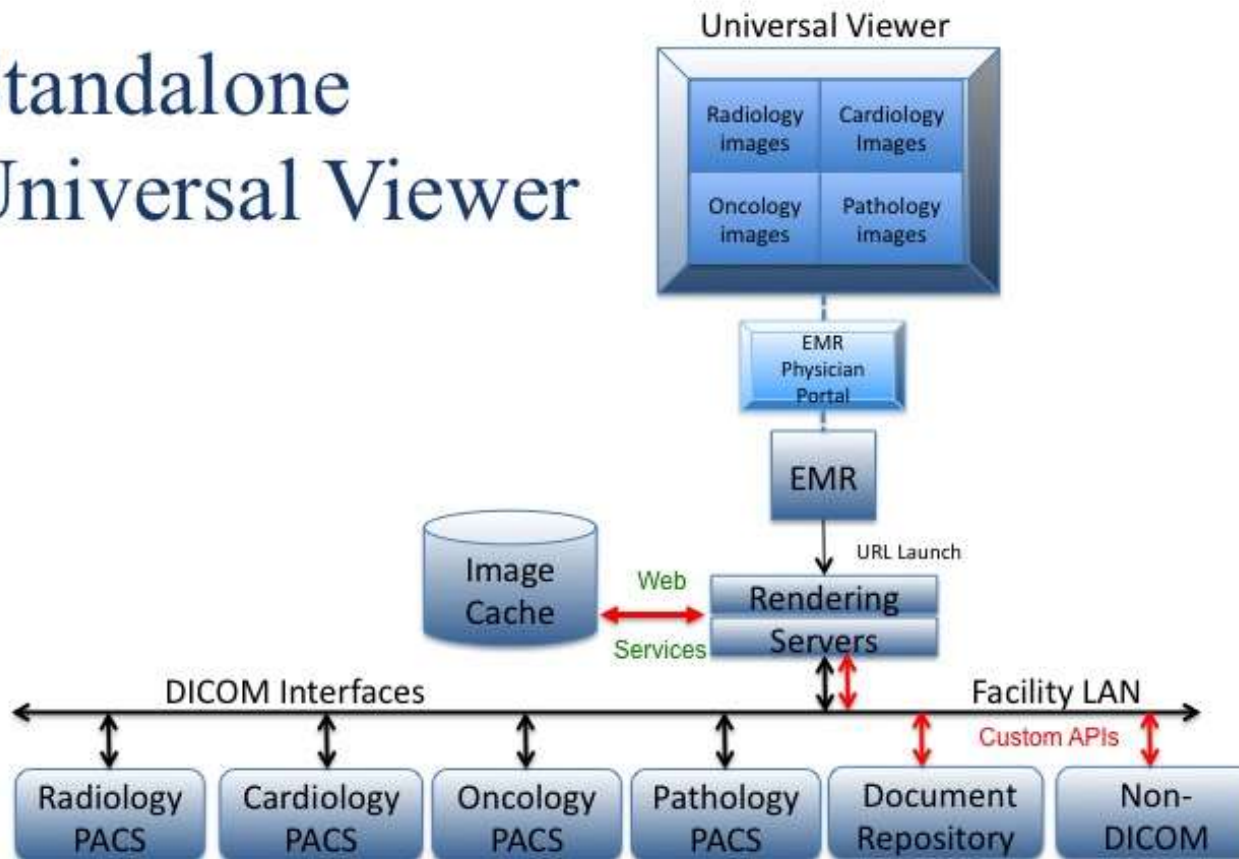
“Deconstructed” PACS – VNA/EMR



Solution – Visage 7.0 Viewer”



Standalone Universal Viewer



North American market



- PACS market estimated at > US\$2 billion pa and growing
- Expanding into Enterprise Imaging
- Paradigm shift to “deconstructed PACS” – best in breed approach
- Market fragmented - in process of consolidating
- Visage 7.0 – proven, market leading technology
- Company well positioned

Yale – New Haven



- \$18 Million 7 year deal with Yale - New Haven
- A leading academic/medical institution in the US
- Visage 7 to be implemented across all campuses
- Builds on footprint in University/Academic market
- Implementation in 2nd half FY 2018

Fast Track Implementation



- Proven fast track methodology
- 1/3 the time of industry norm
- Delivers huge savings for client
- Strategic advantage - key differentiator in the market
- Frees implementation staff for other jobs

Proven Results



- Significant IT and infrastructure savings
- Unparalleled radiologist efficiency
- Greater clinical accuracy
- Improved physician engagement
- Delivers superior value proposition

Growing Recurring Income Stream – Operational (Transaction) Model



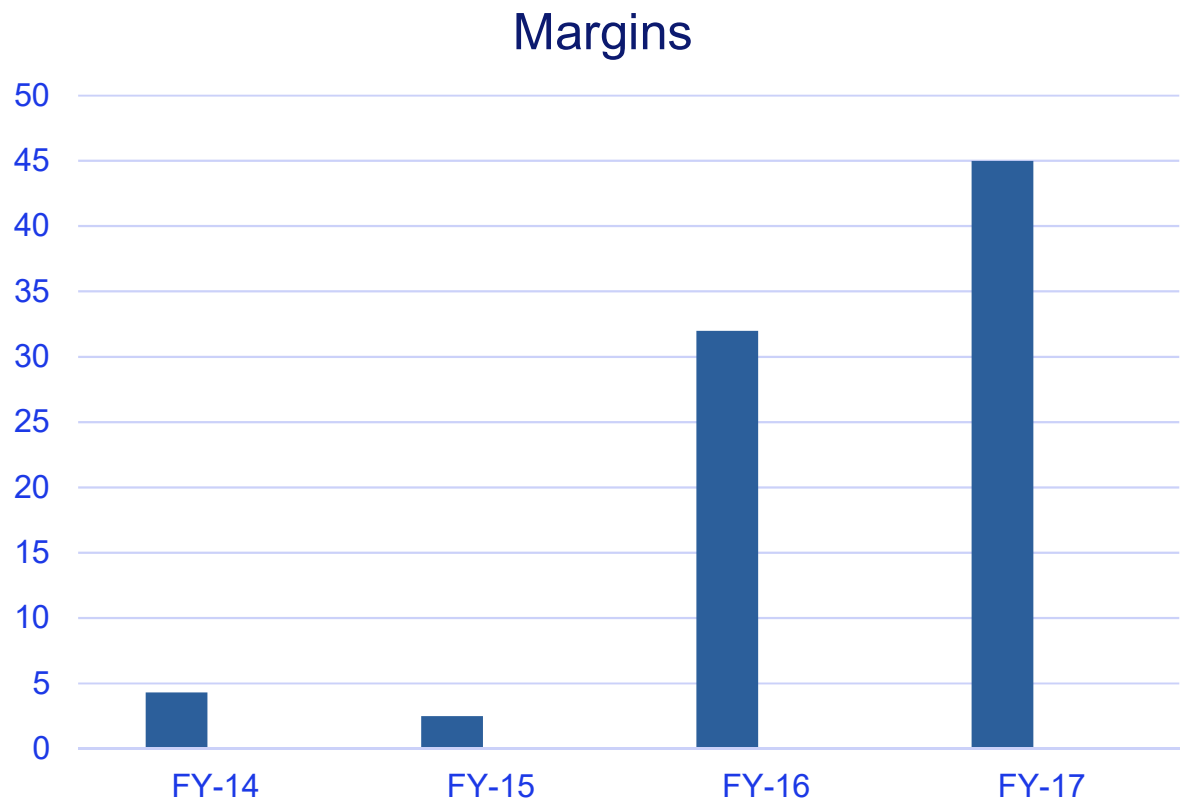
- Alternative to capital model
- Used in vast majority of US contracts
- Now used in RIS contracts in Australia
- Model based on guaranteed minimums
- Contracted minimums increase to > AUD \$125 million
- Upside as client examination volumes grow
- Annuity style revenue stream – greater predictability

Margin Expansion



- Highly scalable offering
- No capex (HW) – SW only model
- Training & Installation – charged as professional services
- Relatively fixed cost base
- Margin continues to grow as footprint increases

Margin Expansion



US Pipeline

- Prospects at various stages of cycle
- Opportunities in both Private and Enterprise markets.
- Network effect from recent high profile wins
- Increasing number of groups coming to market
- Pipeline robust in terms of quality and quantity of opportunities



Growth Strategy



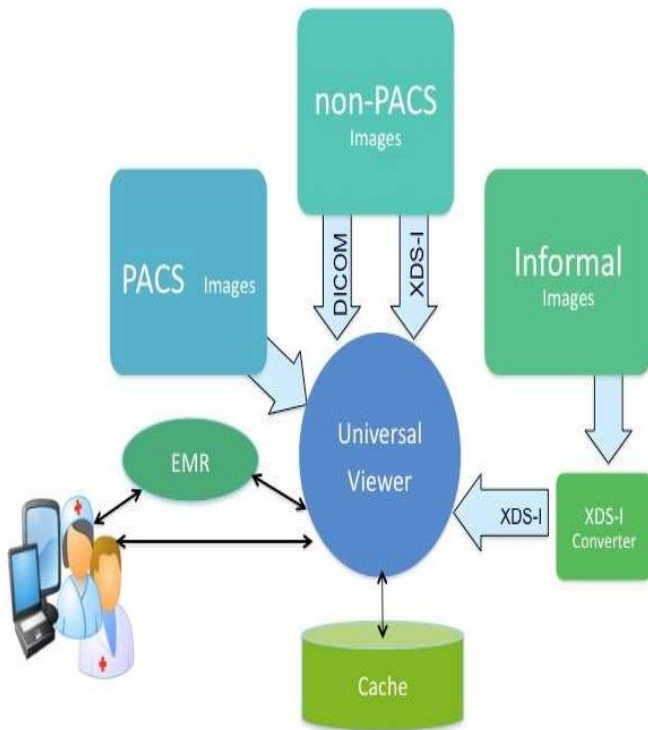
- Transaction growth from existing clients
- Expand current footprint - new clients
- New product offerings for existing clients
- Extend to other geographical markets
- Leverage R&D capability to introduce next generation products

New products – Visage 7 Open Archive



- Same highly scalable enterprise imaging platform used in Visage 7
- Modular design – interoperable in complex environments
- Currently used outside of North America
- Visage can offer choice of deconstructed or single vendor solutions
- Well placed for the North American archive market

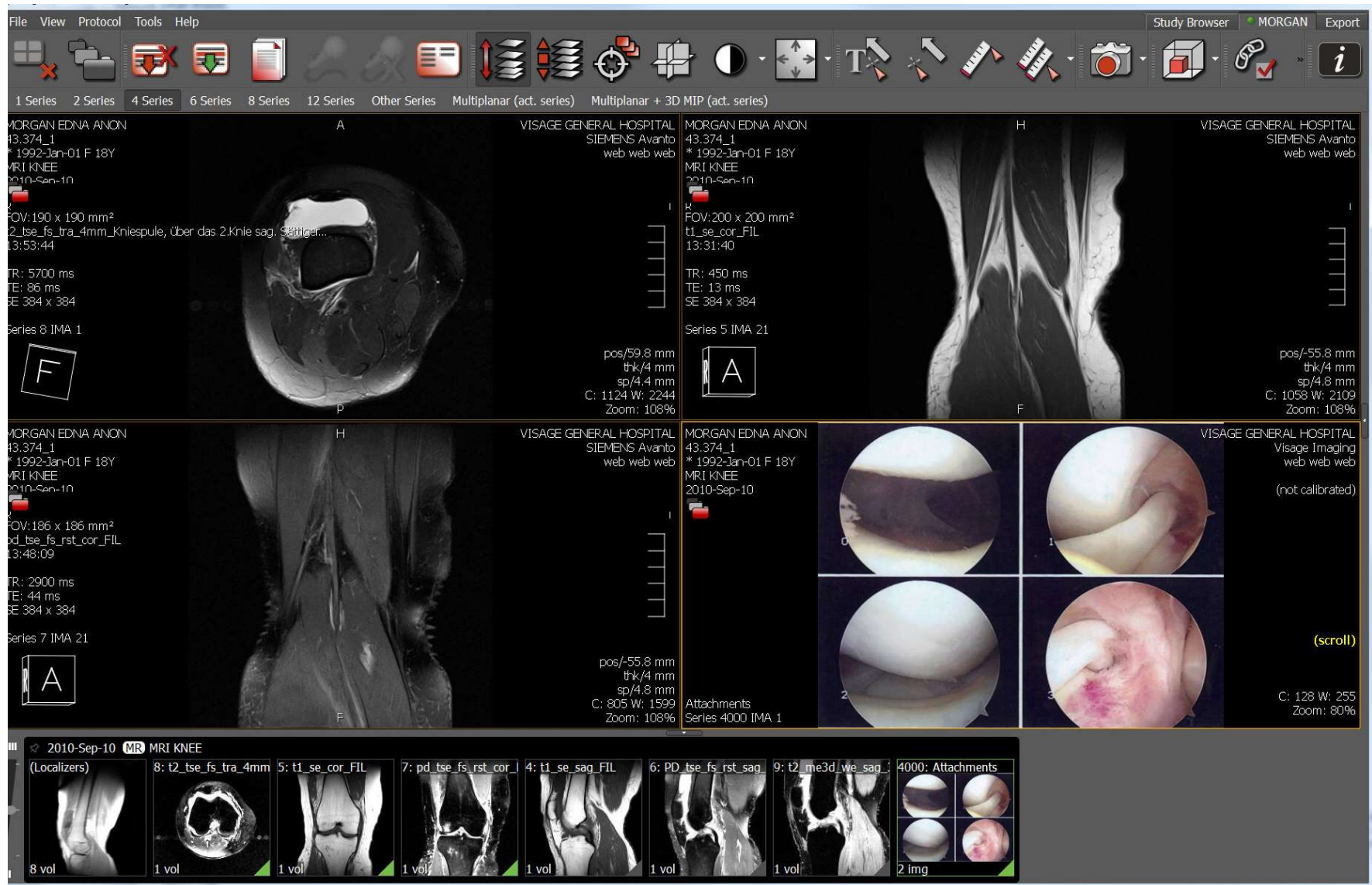
New products - Enterprise Imaging



- Single viewer for all images in the medical record (EMR)
- Radiology/Cardiology (DICOM format)
- Other “Ologies” –neurology, ophthalmology etc
- Non radiology - reflected light - hi res photos & video
- Visage technology ideally suited
- Increases Visage value proposition
- Growth opportunity within existing contracts

Image courtesy of Gray Consulting

Enterprise Imaging



Artificial Intelligence (AI)



- Healthcare imaging ideally suited to AI
- Visage well positioned to take advantage of this emerging technology
- Advanced image processing in healthcare is “in our DNA”
- Visage architecture already uses GPU technology
- Growing academic/research focused client base

Artificial Intelligence (AI)



- Holistic view of AI
- In product AI - automate high end functions within Visage 7
- Visage 7 - single visualization platform for AI in both clinical and research environments
- Open platform – enables integration of both in-house and 3rd party algorithms

Summary

- Unique market position
- Transaction model working
- Leading edge technologies
- Proven implementation & support capability
- Improved clinical outcomes
- Delivers significant financial benefits
- Unparalleled value proposition
- New products – Enterprise Imaging & Open archive
- Well positioned to leverage AI



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