



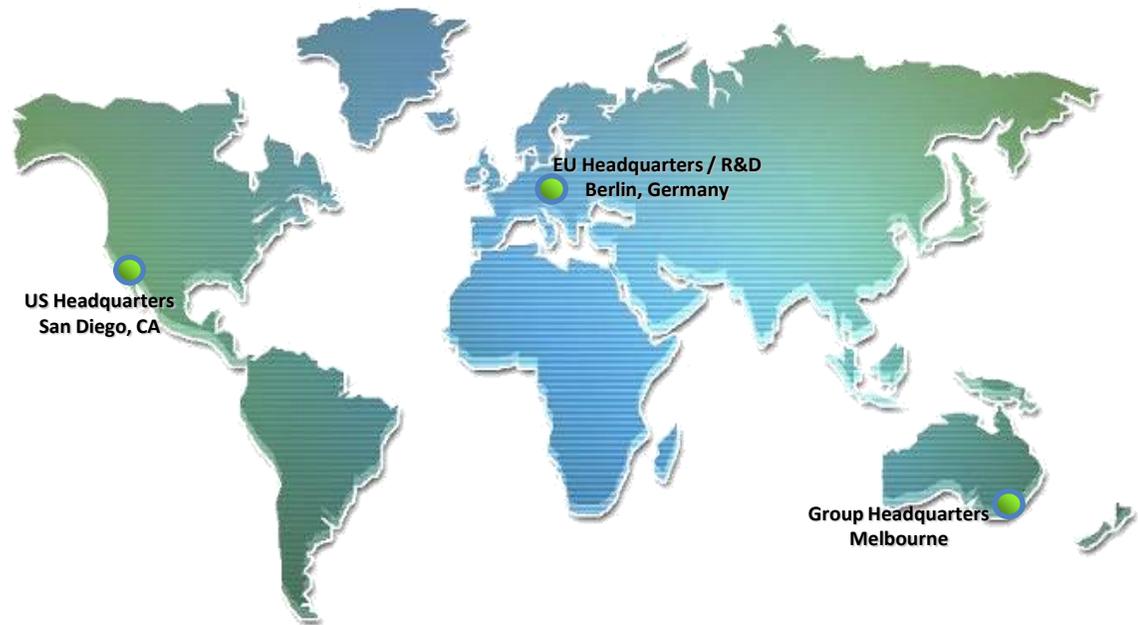
Investor Presentation September 2018

Pro Medicus (ASX:PME)

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

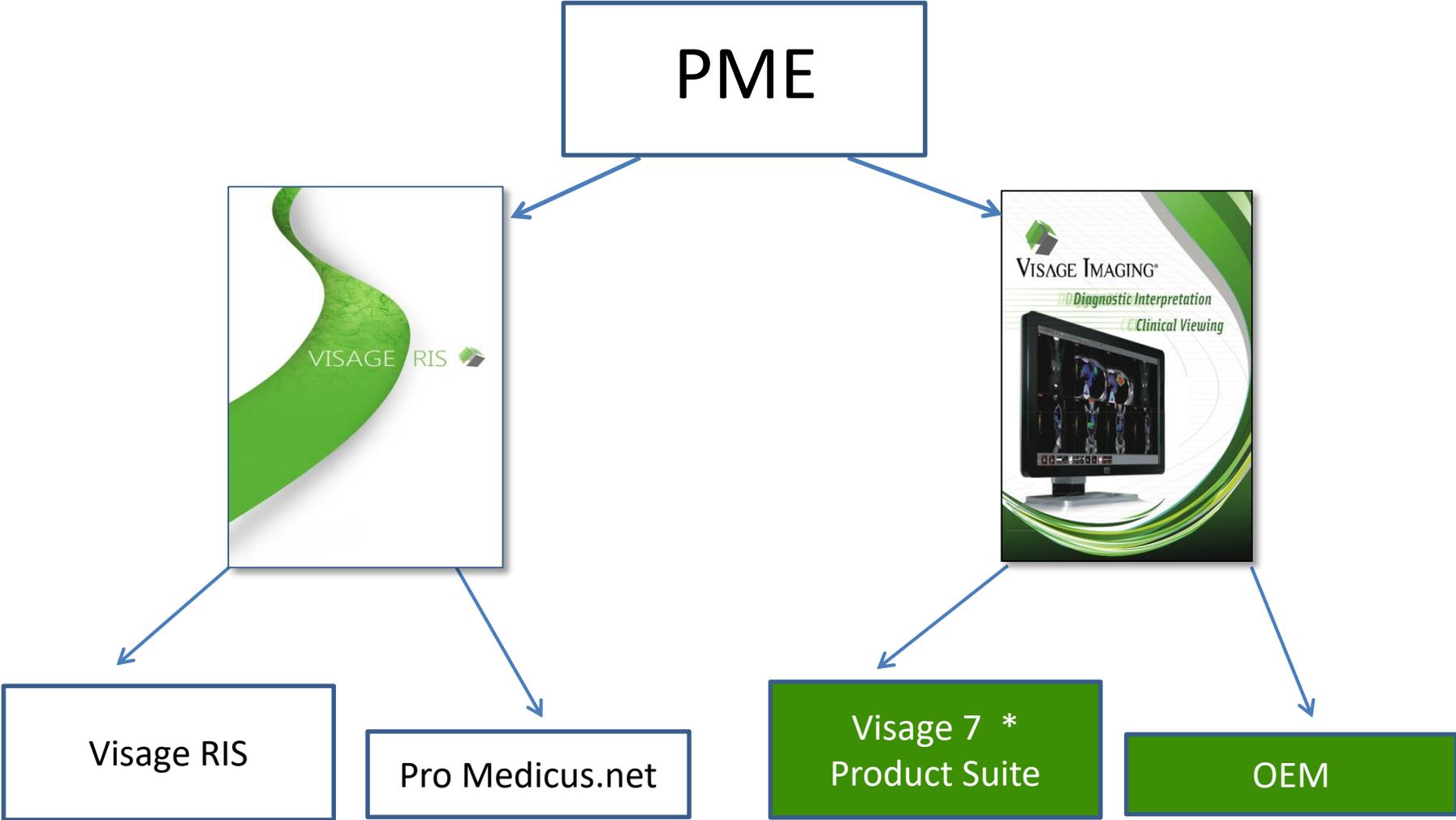
Leading edge products, growing global presence.

VISAGE



Over 40 Software Engineers

pro  **medicus**
OUR SUPPORT. YOUR SUCCESS.



FY18 Results

- Profit after tax \$12.74M - up 36.7%
- Underlying NPAT \$12.57M – up 27.4%
- EBIT margins increased to 48.5%
- Cash reserves increase 10.8% to \$25.24M
- Dividends 6.0c per share ff up 50%
- Company debt free
- Strong balance sheet



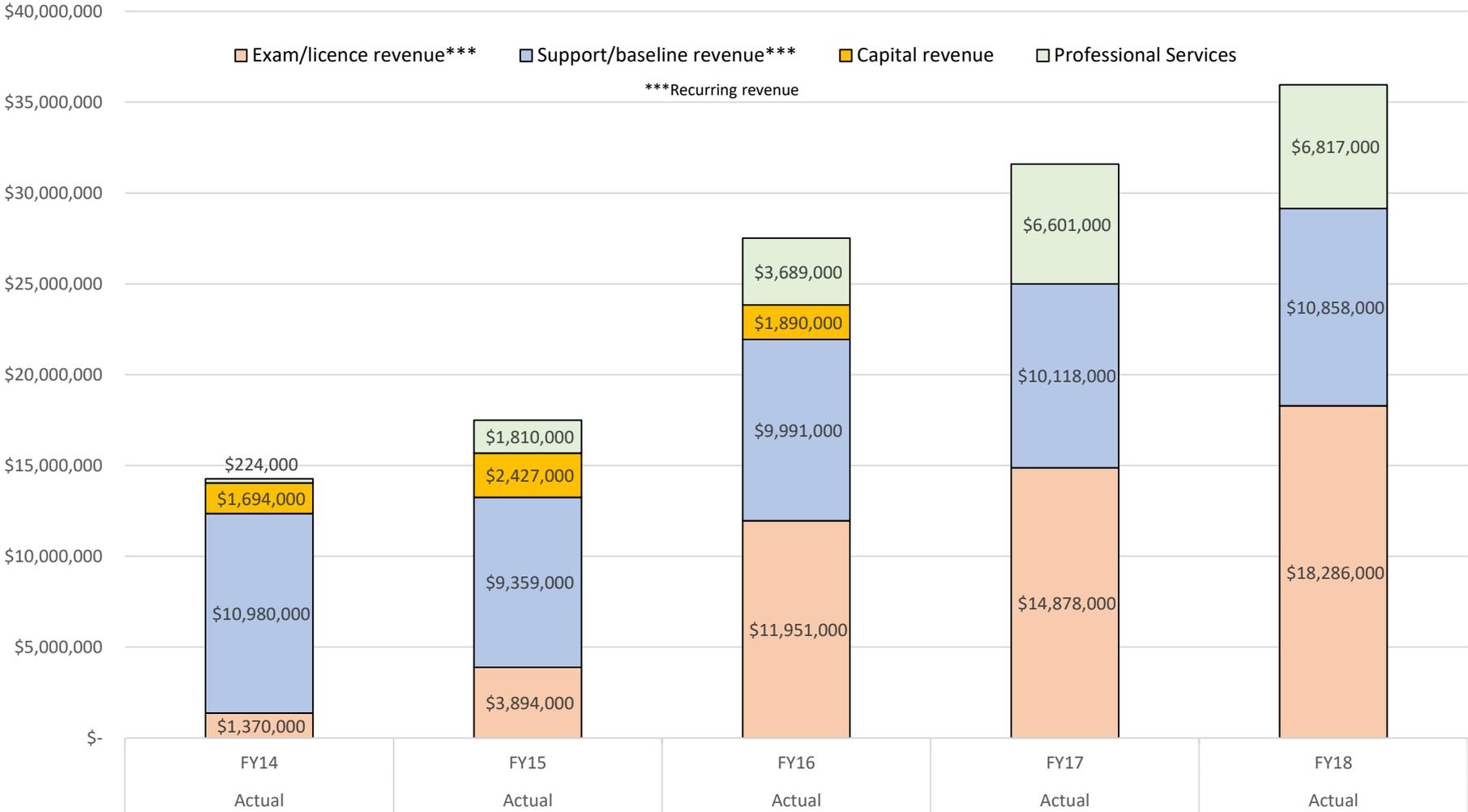
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FY18 in review

- November 2017 - \$18M Yale New Haven contract
- May 2018 – I-MED renewal and extension contract
- May 2018 - Mayo Rochester go live
- June 2018 – \$15M Mercy Open archive deal
- Forward revenue > A\$135M/5 years*
- US implementations on/ahead of schedule
- Visage RIS – increased market lead
- Pipeline continues to grow



FY- 18 Full Year Revenue Split



Professional Services

- Project planning, training & implementation
- Revenue at beginning of contract
- Non recurring in nature ~ 10% contract value
- Will decrease as a % of total revenue as exam (transaction) revenue increases



Exam (transaction) revenue

- Recurring in nature
- Increased by 23% in FY18
- Step-up anticipated in FY 2019 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

The screenshot displays the Visage RIS software interface for Dr R Simpson at Visage General Hospital. The main window shows a scheduling grid for Tuesday, 17-Oct-2017, with columns for different rooms: Visage X-ray, Visage CT, Visage US Room 1, Visage US Room 2, Visage US Room 3, and Visage Mammo. The grid shows appointment times from 08:30 AM to 04:45 PM. Some slots are marked as 'Blocked', and others show patient names like 'SMITH, Mr John: C...' and 'ADAMS, Mrs ROSE ...'. An 'Edit Appointment' pop-up window is open, showing details for an appointment with Mr John SMITH on 10:30 AM - 11:00 AM. The pop-up includes patient information, address, and referral details.

Appointment Details:

- APPOINTMENT:** Mr John SMITH, FOLIO 10.645, ACCESSION 10.1270
- Date/Time:** Tue, 17-Oct-2017, 10:30 AM - 11:00 AM
- Patient:** SMITH, Mr John 10.645, Born: 05-Oct-1977 (40y), Male, (03) 1212-1211
- Address:** 450 Swan Street RICHMOND VIC 3121
- Referrer:** Dr Doogie Howser 0000000Y
- Practice:** 23 Holywood lane ThePlace RICHMOND VIC 3121 Australia
- Referral date:** 09-Oct-2017
- Referral period:** 12
- Accession:** 10.1270
- Order Status:** Arrived (1/1)

Visage RIS – I-MED

- 5 year renewal of existing contract
- Extension of contract to include I-MED's QLD and Regional Imaging practices
- Additional revenue \$1.4M pa once fully deployed
- One of the largest RIS installations worldwide

VISAGE RIS 



Visage RIS

VISAGE RIS 

- Long term (5 year) contracts with Primary Healthcare and I-MED, the 2 biggest radiology providers in Australia
- Combined additional revenue of \$4.4M pa once fully deployed
- Potential upside via organic and M&A growth
- Repositions PME as undisputed market leader



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



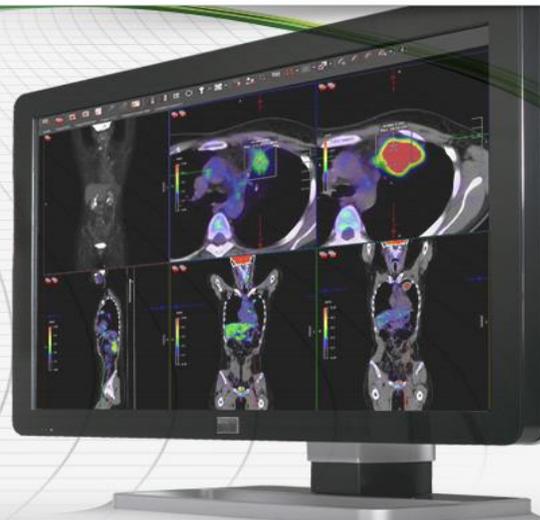
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SPEED is everything.

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

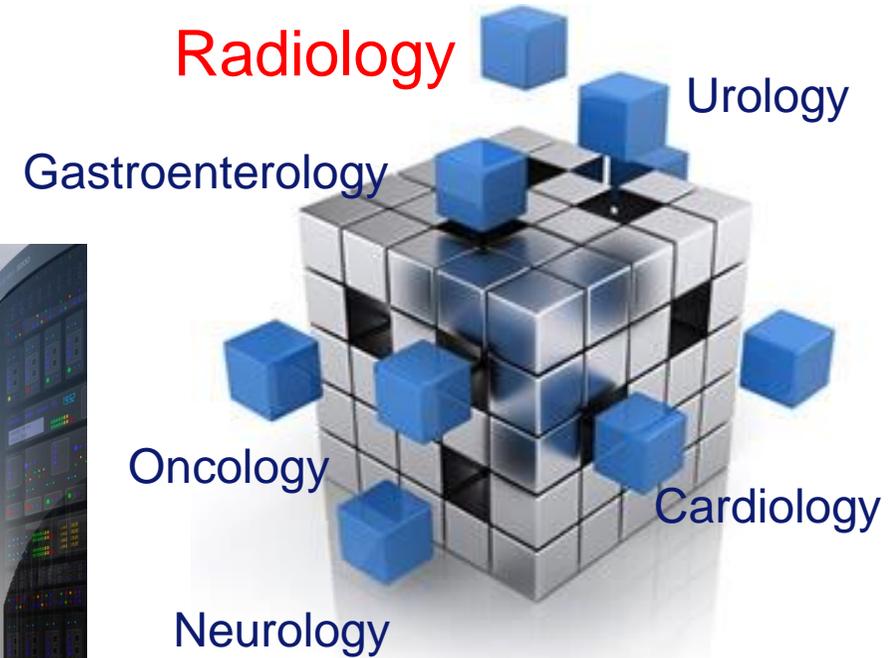
One for all. Architected for ubiquitous imaging, Visage 7 is the server-side platform that streamlines complexity, allowing even the largest organizations to stay ahead of the curve.

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

“Deconstructed” PACS – VNA



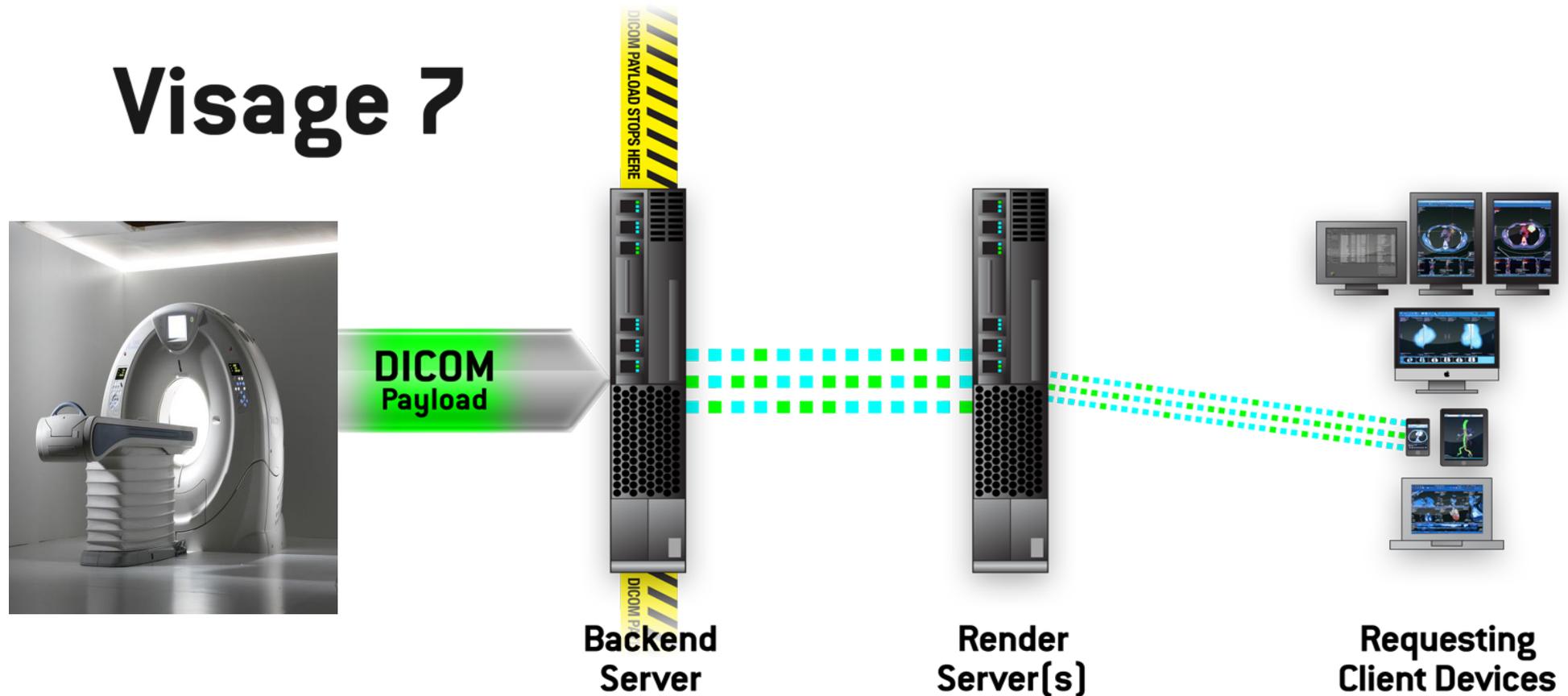
Electronic Medical Record (EMR)



- 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



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
- Growing PME footprint

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 PME footprint in University/Academic market

Yale – New Haven



- Implementation on schedule
- New Haven and Bridgeport hospitals – live July 2018
- Currently being used by over 170 Yale radiologists and 1,700 physicians
- ~ 40,000 images processed per day
- Remaining campuses scheduled to go live end of 1st half FY19

Fast Track Implementation



- Fast track methodology continues to deliver
- 1/3 to 1/4 the time of industry norm
- Delivers huge savings for client
- Strategic advantage - key differentiator in the market
- Frees implementation staff for other jobs

Visage - Proven ROI



- Significant IT and infrastructure savings
- Unparalleled increase in 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
- Forward revenue > A\$135M/5 years*
- Upside as client examination volumes grow
- Annuity style revenue stream – greater predictability

* Assumes the majority of key contracts up for renewal in years 4 and 5 are renewed

Margin Expansion

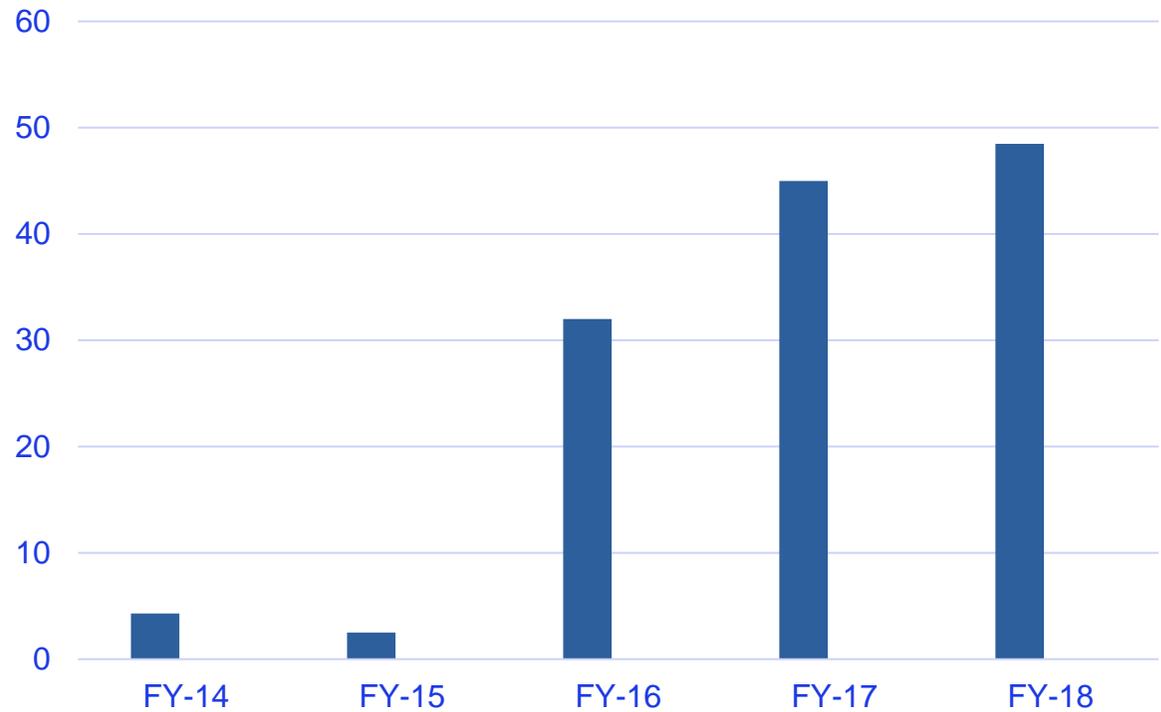


- Highly scalable offering
- No capex (HW) – SW only model
- Training & Installation – charged as professional services
- Relatively fixed cost base
- Margin continues to grow as footprint increases

Margin Expansion



EBIT Margins



US Pipeline

- Pipeline robust in terms of quality and quantity of opportunities
- Increasing number of opportunities coming to market
- Network effect from recent high profile wins
- Prospects at various stages of cycle



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



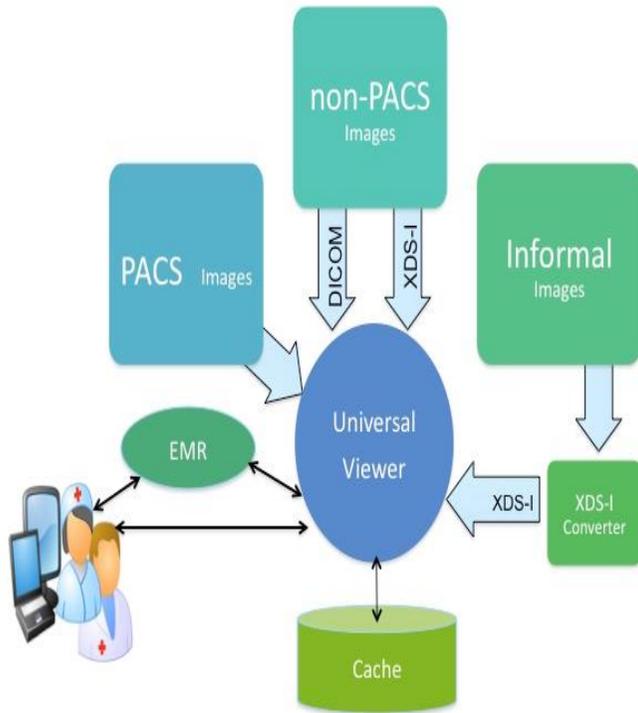
- Same highly scalable enterprise imaging platform used in Visage 7
- Modular design – interoperable in complex environments
- Enables Visage to offer choice of deconstructed or single vendor solutions
- Well placed for the North American archive market

Visage 7 Open Archive - Mercy



- \$15M – 7 year deal
- Mercy to standardise on Visage 7 Open Archive across its diagnostic imaging business
- Transaction-based model with potential upside
- Over 25 million diagnostic imaging exams to be migrated
- Once completed - one of the largest medical imaging archives in North America

New products - Enterprise Imaging

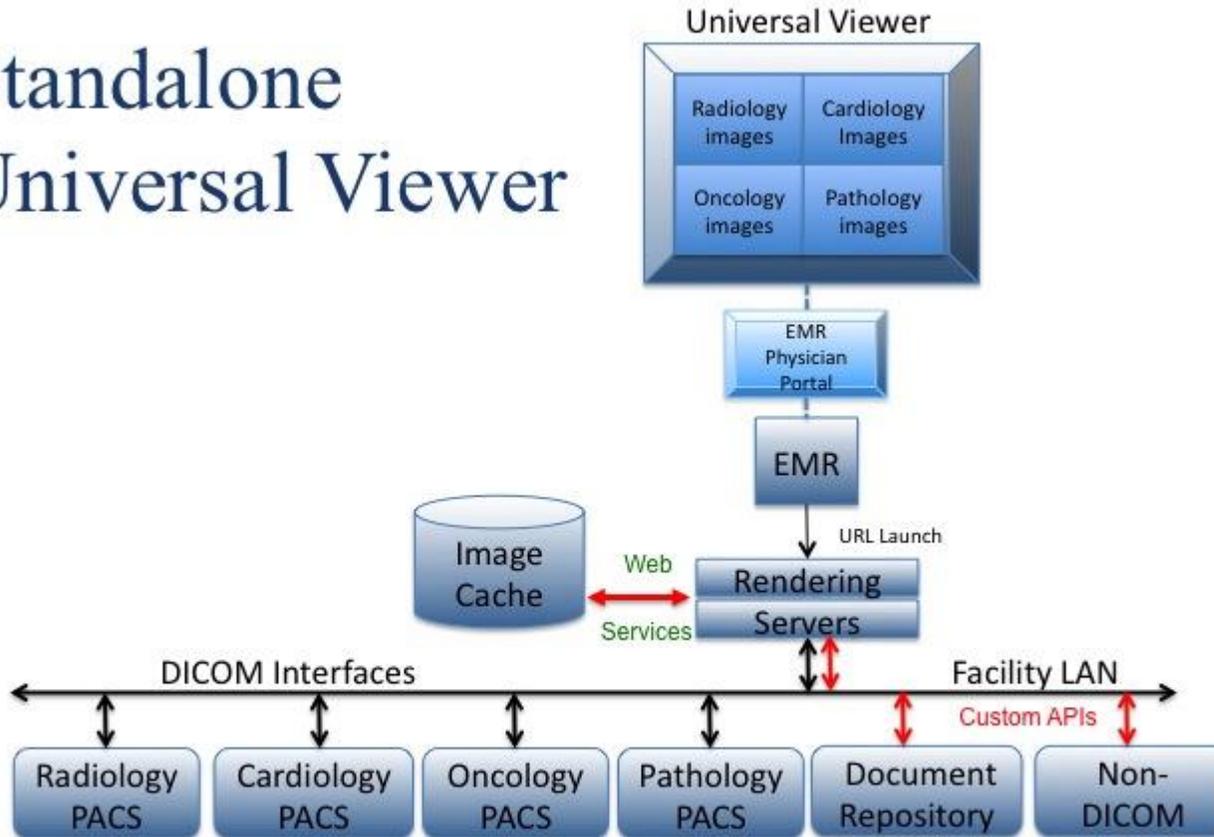


- Single viewer for all images in the medical record (EMR)
- Radiology/Cardiology (DICOM format)
- Other “Ologies” –neurology, ophthalmology etc
- Non radiology - reflected light - hi res photos & video
- Visage technology ideally suited
- Increases Visage value proposition
- Growth opportunity within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

Image courtesy of Gray Consulting

Solution – Visage 7.0 Viewer”

Standalone Universal Viewer



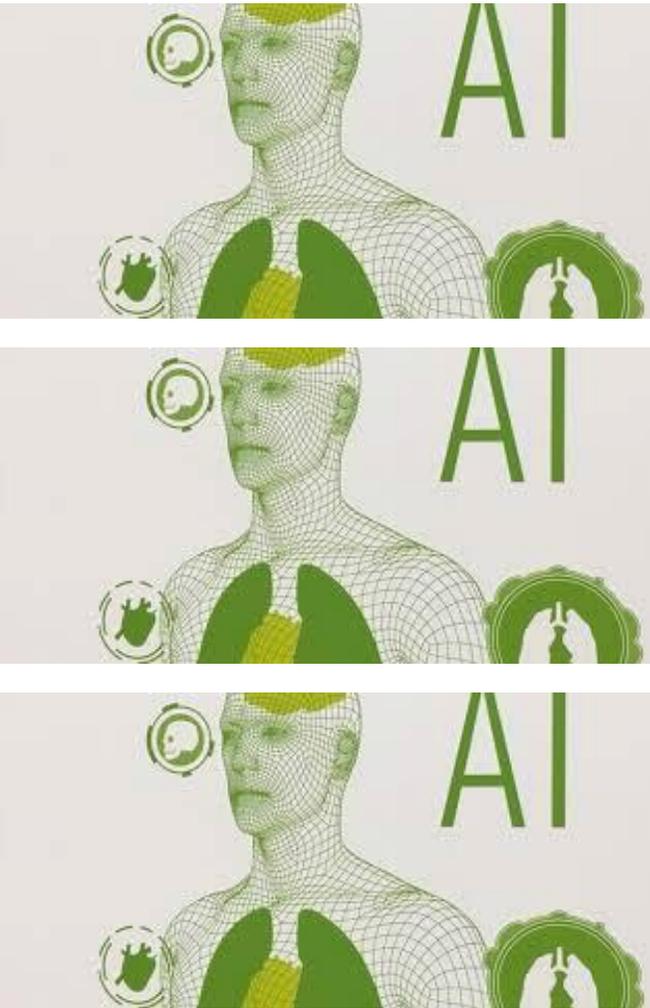
Enterprise Imaging

The screenshot displays the VISAGE Enterprise Imaging software interface. At the top, there is a menu bar (File, View, Protocol, Tools, Help) and a toolbar with various icons for navigation and manipulation. Below the toolbar, the interface is divided into several panels:

- Top Row:** Contains two main image windows. The left window shows an axial MRI slice of a knee joint (Series 8 IMA 1) with technical details: MORGAN EDNA ANON, 43.374_1, * 1992-Jan-01 F 18Y, MRI KNEE, 2010-Sep-10, FOV: 190 x 190 mm², 2_tse_fs_tra_4mm_Kniespule, über das 2.Knie sag. 9.Ärztiger..., 13:53:44, TR: 5700 ms, TE: 86 ms, SE 384 x 384. The right window shows a coronal MRI slice (Series 5 IMA 21) with technical details: VISAGE GENERAL HOSPITAL, SIEMENS Avanto, web web web, MORGAN EDNA ANON, 43.374_1, * 1992-Jan-01 F 18Y, MRI KNEE, 2010-Sep-10, FOV: 200 x 200 mm², t1_se_cor_FIL, 13:31:40, TR: 450 ms, TE: 13 ms, SE 384 x 384.
- Middle Row:** Contains two more image windows. The left window shows a sagittal MRI slice (Series 7 IMA 21) with technical details: MORGAN EDNA ANON, 43.374_1, * 1992-Jan-01 F 18Y, MRI KNEE, 2010-Sep-10, FOV: 186 x 186 mm², pd_tse_fs_rst_cor_FIL, 13:48:09, TR: 2900 ms, TE: 44 ms, SE 384 x 384. The right window shows a 2x2 grid of arthroscopy attachments (Series 4000 IMA 1) with technical details: VISAGE GENERAL HOSPITAL, Visage Imaging, web web web, (not calibrated), C: 128 W: 255, Zoom: 80%.
- Bottom Row:** A series of thumbnails for different MRI localizers and attachments. From left to right: 8 vol (Localizers), 1 vol (8: t2_tse_fs_tra_4mm), 1 vol (5: t1_se_cor_FIL), 1 vol (7: pd_tse_fs_rst_cor), 1 vol (4: t1_se_sag_FIL), 1 vol (6: PD_tse_fs_rst_sag), 1 vol (9: t2_me3d_we_sag), and 2 img (4000: Attachments).

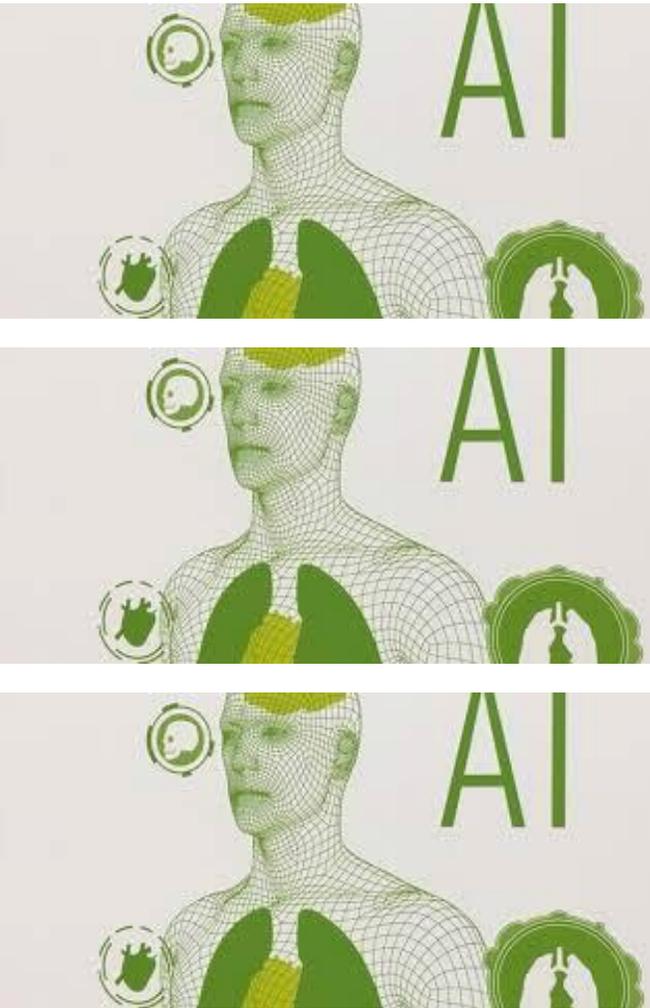
Artificial Intelligence (AI)

- 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 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

- Growing North American footprint
- Transaction revenue grew 23%
- Market leading technologies
- Proven implementation & support capability
- Unparalleled value proposition
- 1st large scale sale of Visage 7 Open Archive in US
- New products – Enterprise Imaging
- Positioned to leverage AI



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