

3 August 2022

ASX ANNOUNCEMENT

PRELIMINARY 1H FY22 RESULTS AND FULLY UNDERWRITTEN PLACEMENT AND ENTITLEMENT OFFER TO RAISE A\$4 MILLION

IMEXHS Limited (ASX: IME) (“**IMEXHS**” or “**the Company**”) is pleased to announce that it has received binding commitments for A\$2 million via a placement to sophisticated and institutional investors (Placement) and is undertaking a non-renounceable pro-rata entitlement offer to raise approximately a further A\$2 million (Entitlement Offer). Both the Placement and Entitlement Offer are fully underwritten.

Highlights

- A\$2 million successfully raised under the Placement, supported by new and existing institutional investors.
- Eligible shareholders will be invited to subscribe for their pro rata entitlement under the Entitlement Offer at the same price as the Placement and may apply for shares in excess of their entitlement under the shortfall facility.
- Shares under the Placement and Entitlement Offer (together, the Offer) to be issued at A\$0.48 (Offer Price), representing a 22.6% discount to the last closing price of A\$0.62 on 29 July 2022 and a 21.9% discount to the 5-day VWAP¹.
- The Offer is lead managed and fully underwritten by Morgans Corporate Limited.
- All directors have committed to take up their full entitlements of A\$0.45 million under the Entitlement Offer². Additionally, the directors have agreed² to subscribe for an aggregate of A\$1.07 million under the Placement.
- Proceeds of the Offer will be used to pay down existing high yield debt, fund working capital and for general corporate purposes and are anticipated to fund the Company through to a cashflow positive run rate.

¹ The volume weighted average price (VWAP) for the period of five trading days ending on 29 July 2022, being A\$0.615.

² German Arango has committed to take up his direct entitlement in full, and part of his indirect entitlement via the shares held by Digital Imaging Solutions S.A.S, an entity which he is deemed to have a relevant interest in under the *Corporations Act 2001* (Cth). In aggregate, German Arango will subscribe for \$200,000 worth of New Shares under the Entitlement Offer, directly and indirectly via Digital Imaging Solutions S.A.S.

Headquarter Australia

Sydney
122 O'Riordan Street MASCOT NSW 2020
enquiries@imexhs.com.au

Offices Latam

Bogotá, Colombia.
Calle 92 # 11-51, Of 202
+ 57 (1) 316 48 90
soporte@imexhs.com

Offices USA

Doral, Florida.
8200 NW 41ST. Ste. 200-41 Doral, FL 33166
admin.usa@imexhs.com

Preliminary 1H FY22 Results³

Financial Highlights

- 1H FY22 revenue of \$9.5m, up 83% vs pcp; up 82% on a constant currency basis.
- 1H FY22 revenue up 41% vs pcp on a like-for-like basis excluding the incremental revenue from the RIMAB acquisition.
- Recurring revenue of \$9.3m represented 98% of total revenue in 1H FY22
- 1HFY22 underlying EBITDA loss of (\$0.4m) up \$1.0m versus pcp loss of (\$1.4m).
- Annualised Recurring Revenue (ARR) of \$20.5m, up 61% vs pcp; up 60% on a constant currency basis.
- Closing cash balance of \$0.9m as at 30 June 2022.

Outlook

The company has a strong and growing pipeline of business in front of it and is in advanced negotiation on two material contracts expected to be concluded within Q3 FY22.

The Company provides the following guidance for FY22:

- **Revenue** between \$18.0m to \$20.5m (vs \$13.4m in FY21). This is a reduction from previous guidance of \$19.5m to \$22.0m due principally to the Company's decision to cancel a material contract for poor payment performance.
- **Underlying EBITDA** is expected to be positive for 2022 (vs loss of \$1.4m in FY21).
- **Monthly run-rate underlying cash** breakeven during 2H FY22.

Placement

The Placement will result in the issue of 4,166,666 new fully paid ordinary shares (New Shares) which will rank equally with existing shares from their date of issue. The Directors have agreed to subscribe for an aggregate of 2,220,458 (\$1.07 million) New Shares under the Placement, subject to shareholder approval (Conditional Placement). New Shares issued under the first tranche Placement are intended to be issued on 10 August 2022. The New Shares issued under the first tranche Placement will be issued using the Company's existing placement capacity under ASX Listing Rule 7.1. The Conditional Placement will be subject to shareholder approval under ASX Listing Rule 10.11 at a general meeting of shareholders expected to be held in September 2022.

Entitlement Offer

The Entitlement Offer is a pro rata non-renounceable entitlement offer under which eligible shareholders will be entitled to subscribe for 1 New Share for every 8 shares held at the record

³ All financial information for FY22 in this announcement is preliminary, unaudited financial information and may be subject to adjustment following audit review.

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date for the Entitlement Offer at the Offer Price. Colombian shareholders may pay the Offer Price in Colombian pesos at COP1,439 per New Share.

Shareholders on the register with a registered address in Australia, New Zealand or Colombia at 7.00pm AEST on the record date for the Entitlement Offer, 8 August 2022, are eligible to participate in the Entitlement Offer.

Fractional entitlements to New Shares under the Entitlement Offer will be rounded up to the nearest whole number of shares.

Approximately 4,114,816 New Shares will be issued under the Entitlement Offer and will rank equally with existing shares from their date of issue.

Eligible shareholders can choose to take up their entitlement in full, in part or not at all. They may also apply for additional New Shares in excess of their entitlement (Additional Shares). Additional Shares will only be available where there is a shortfall between applications received from eligible shareholders and the number of New Shares available to be issued under the Entitlement Offer, subject to the shortfall allocation policy set out in further detail in the offer booklet for the Entitlement Offer (Offer Booklet).

Each of the directors has committed to take up his entitlement in full under the Entitlement Offer⁴ comprising an aggregate of \$0.45 million.

The Placement and Entitlement Offer are fully underwritten by Morgans Corporate Limited. Maddocks is acting as legal adviser to the Placement and Entitlement Offer.

Indicative timetable

Date (AEST)	Event
5 August 2022	Ex-date
8 August 2022	Record Date for Entitlement Offer
9 August 2022	Settlement of first tranche Placement
10 August 2022	Allotment and quotation of New Shares issued under the first tranche Placement
11 August 2022	Entitlement Offer opens - Offer Booklet and entitlement and acceptance forms despatched to eligible shareholders
25 August 2022	Entitlement Offer closes
31 August 2022	Settlement of Entitlement Offer
1 September 2022	Allotment of New Shares under Entitlement Offer
2 September 2022	Quotation of New Shares issued under Entitlement Offer
September 2022	EGM to approve Conditional Placement
September 2022	Settlement of Conditional Placement
September 2022	Allotment and Quotation of New Shares under Conditional Placement

⁴ In respect of German Arango, this commitment does not include shares held by Digital Imaging Solutions S.A.S which he is deemed to have a relevant interest in under the *Corporations Act 2001* (Cth).

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The dates in the table above are indicative only and IMEXHS may amend this timetable subject to the ASX Listing Rules. IMEXHS may also withdraw the offer of New Shares under the Entitlement Offer at any time before the allotment date in its absolute discretion.

Further Information about the Offer

Further details about the Offer including key risks associated with the Offer are included in the Investor Presentation also released to ASX today and in the Offer Booklet. The Offer Booklet will be released to ASX and available on the Company's website and is expected to be dispatched to eligible shareholders with entitlement and acceptance forms on 11 August 2022.

Authorised for release by the Board of IMEXHS Limited.

-ENDS-

For more information, please contact:

Reena Minhas, CFO & Company Secretary

E: enquiries@imexhs.com.au

T: +61 (0)438 481 139

About IMEXHS

IMEXHS Limited (ASX: IME) is an innovative provider of medical imaging software and radiology services in 15 countries including Colombia, the US and Australia. Founded in 2012, IMEXHS develops software as a service (SaaS) imaging solutions that includes a Picture Archiving and Communications System (PACS), a Radiology Information System (RIS), a Cardiology Information System (CIS) and an Anatomical Pathology Laboratory Information System (APLIS). Its solutions are completely cloud-based, vendor neutral and zero footprint, with no need for installed software. The IMEXHS products are designed to increase productivity and save money for end users, with a scalable platform that enhances patient outcomes. For more information, [visit www.imexhs.com](http://www.imexhs.com)

Important Disclaimers

Forward-Looking Statements:

Certain statements made in this release are forward-looking statements and are based on IMEXHS's current expectations, estimates and projections. Words such as "anticipates" "expects" "estimates" "forecasts" and similar expressions are intended to identify forward-looking statements. Although IMEXHS believes the forward-looking statements are based on reasonable assumptions, they are subject to certain risks and uncertainties, some of which are beyond IMEXHS's control. As a result, actual results could materially differ from those expressed or forecasted in the forward-looking statements. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. IMEXHS will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

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