



imeXHS

1H FY23 Results

31 August 2023

Presenters

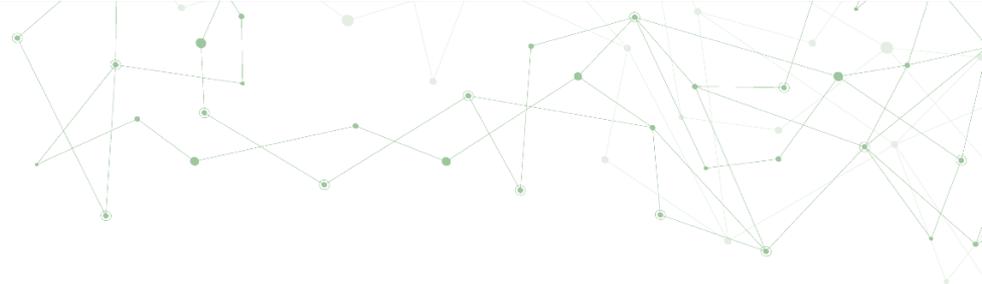
Dr German Arango, CEO
Reena Minhas, CFO

Agenda

1H FY23 Results



- 1. IMEXHS Overview**
- 2. Results Overview**
- 3. Financials**
- 4. Strategy & Outlook**



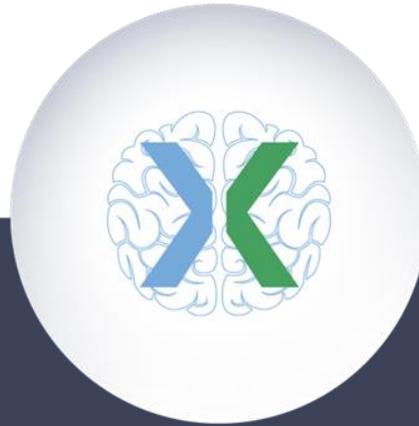
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Overview



One Company with two businesses aimed at democratising access to medical expertise

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Medical Imaging Software

Provider of innovative, cloud-based, AI medical imaging software solutions

Radiology Services

Outsourcing of imaging facilities and teleradiology to hospitals and medical facilities

Global footprint



Software

18 countries; 461 sites

3,184 radiologists

35 distributors in 15 countries

Radiology

Colombia, Spain and Mexico

35 radiology centres

150+ in-house radiologists



1H FY23 Results Overview

Business Highlights



- *The Company has demonstrated the scalability of the business across different geographies with an attractive product and disruptive business model and now is focused in generating positive earnings and cashflow.*
- *Focus is on sales within Latin America and those product development projects that have a path to profitability in the near term.*
- *Sales, Revenue , EBITDA and Cash on plan for the half. Substantial new contracts with first tier clients in both software and radiology.*
- *Strategic product review to achieve significant upgrade of our value proposition for the software vertical, with four key pillars - functionalities, service, deployment times and security.*

1H FY23 Revenue of \$8.8m, 7% down on pcp and 2% down on constant currency despite exiting a major customer in FY22.

Annualised Recurring Revenue of \$24.4m, up 19% vs pcp; up 15% on constant currency

1H FY23 Underlying EBITDA was positive \$0.5m, up \$0.9m vs pcp.

Net operating cashflow of \$1.4m before investing cashflows of \$1.0m and financing cashflows of \$0.4m.

1H FY23 Operational Highlights

- **New radiology services contract** signed with Famisanar in March 2023, Colombia's fifth largest insurance provider, with \$1.1m in ARR.
- Entered **new radiology services contract** with Grupo Avidanti in April 2023. ARR of ~\$750,000 expected in first year increasing to \$1.0m in second year.
- **Second** radiology services **contract signed with Famisanar** in June 2023 with ARR of \$350,000 to \$600,000.
- IMEXHS Enterprise and IMEXHS Cloud finished the half with a total of **461 installations worldwide**
- Post the end of first half, the company announced it had **signed a 5-year Software as a Service (SaaS)** contract with Grupo Avidanti – Zentria. The contract is priced in USD, has a TCV of A\$2.1m and is expected to contribute ~A\$430,000 ARR.
- **Good progress in software development** including advances in architecture to reduce cloud service costs, create significant competitive edge and improve cyber security.
- **Pipeline** of prospective business from both existing and new customers remains robust.

1H FY23 Financial Highlights

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Sales Revenue

Down 7% yoy
Down 2% on a
constant currency
basis²

\$8.8m

Annual Recurring Revenue (ARR)

Up 19% yoy
Up 15% on a constant
currency basis

\$24.4m

Underlying EBITDA¹

Up \$0.9m vs pcp

\$0.5m

Recurring revenue

97% of total revenue

\$8.6m

Closing cash

vs \$1.9m at 31
December 2022

\$2.0m

Debt

vs \$1.1m at 31
December 2022

\$0.9m

1. Underlying EBITDA excludes the impact of FX, share based payments, one-off costs in relation to the cost-out program and the goodwill impairment.
2. Constant currency basis assumes FY23 results are converted at the average foreign exchange rate for FY22. This removes the impact of changes in currency rates and allows comparison of IMEXHS's underlying operating performance.

FY23 Business Unit Results

The logo for imexHS, with 'imex' in blue and 'HS' in green, is positioned in the top right corner of the slide. The background features a network of green lines and dots.

\$M	Software	Radiology	Corporate	Total
Revenue	3.5	5.3	-	8.8
Underlying EBITDA	1.3	0.2	(1.0)	0.5
ARR	10.4	14.0	-	24.4

- Software primarily relates to sales of IMEXHS Enterprise and growing IMEXHS Cloud business
 - Revenue up 25% yoy
 - ARR up 22%
- Radiology includes RIMAB along with other services related to outsourcing radiology on-premise or remotely using IMEXHS software
 - Revenue down 21% yoy
 - ARR up 17%

Software

IMEXHS Enterprise + Cloud



- In 1H FY23:
 - over 4m studies (712m images) processed
 - over 1.33m people entered IMEXHS's patient portal
 - 461 sites installed across 18 countries
 - software solutions used by over 6,300 radiologists
- ARR of \$10.4, up 22% on pcp.
- Software sold outside of Colombia priced in USD or other hard currencies (41% of 1H FY23 software revenue).
- Focus on ideal client profile and larger customers.
- Post half-year, a new material contract was signed with Avidanti/Zentria with ARR of \$434.000.
- Strong pipeline of new opportunities.

Radiology Services

- **Outsourced radiology services** for hospitals and other establishments
 - includes administration, technicians, enterprise software, training, equipment if required; radiologists located on premise and internal teleradiology.
 - 95%+ of revenues.
- **Teleradiology services**
 - growing as flexibility of operations reduces requirement for on-premise presence of radiologists.
 - ability to provide remote access to the highest quality radiology specialists.
 - predominantly international customers such as Health Time in Spain.
- Exclusively use IMEXHS software.
- Top 5 player in Colombian market with a high academic profile of radiologists.

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35 Radiology Centres

170 Radiologists

596k+ Studies in H1

Product and Software Updates - H1 FY23

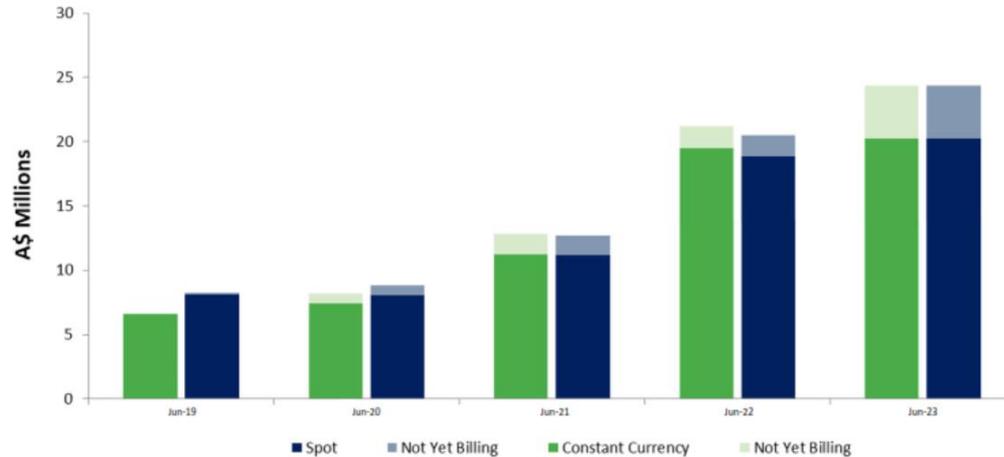


- Outline of IMEXH's improved value proposition, based on 3 key pillars
 - 24/7 service, support and active monitoring that exceeds industry standards.
 - Modernization of core products to add +10 innovative features, improve security, and incorporate AI as a native capability.
 - New deployment, installation, and customization tools.
- AQUILA v4.0 Updates
 - New pathology module within Aquila, enabling radiology and pathology workflow on a single platform.
 - AQUILA Enterprise decoupled with PACS v5.29, enabling use with third-party PACS's and Viewers.
 - New parametrization to enable/disable the schedule module
 - API service created to extract anonymized reading reports for future AI algorithm training.
 - Integration with Partner Portal for additional information on RIS and PACS studies.
- Universal Viewer v6.2 Enhancements
 - Tomosynthesis, dynamic and diffusion studies visualization with improved loading times.
 - Export of PNG images with metadata for integration with third-party processes.
 - Hanging protocols, key images, and improved annotation with spine labeling.
- IMEXHS Portal v3.0.2 Improvements
 - Decoupling that enables integration with 3rd-party tools.
 - Terms and Conditions for compliance with local data privacy regulations.
- IMEXHS PACS v5.29 Updates
 - New admin and config options, image pre-fetching feature and multi-cloud architecture.
- IMEXHS Partner Portal v1.0 Introduction
 - Web app for IMEXHS's partners and distributors.
 - Improves visibility of customers' data and aids in internal audit billing.



1H FY23 Financials

Progress in ARR



Constant currency basis assumes that historic results are converted at the 30 Jun-23 exchange rate. This removes the impact of changes in currency rates and allows comparison of IMEXHS's underlying operating performance.

ARR as at 30 June 2023

- \$24.4m = \$14.0m from Radiology Services and \$10.4m from Software
- Software ARR includes \$3.9m from 176 IMEXHS Cloud contracts and \$6.5m from IMEXHS Enterprise.

Income Statement

\$'000	1H FY23	1H FY22	Var	Var %
Revenue	8,804	9,462	(658)	(7%)
Other revenue	76	133	(57)	(43%)
Total revenue	8,880	9,595	(715)	(7%)
Expenses	(11,076)	(11,244)	168	(1%)
Net loss before tax	(2,196)	(1,649)	(547)	(33%)
Depreciation & amortisation	1,045	922	123	13%
Net finance expenses	108	181	(73)	(40%)
EBITDA	(1,043)	(546)	(497)	91%
FX & share-based payment expenses	269	166	103	62%
Impairment of goodwill	1,277	-	1,277	-
Underlying EBITDA	503	(380)	883	Up 232%

- Revenue of \$8.8m, with 97% recurring revenue
 - \$3.5m from Software and
 - \$5.3m from Radiology Services
- Underlying EBITDA of \$0.5m up \$0.9m versus pcp loss of (\$0.4m)
- Impairment loss of \$1.3m recognised during the half, principally as a result of the company choosing to exit a customer during 2022.
- Underlying EBITDA excludes the impact of FX, share-based payments and goodwill impairment.

Balance Sheet

\$'000	Jun 23	Dec 22	Jun 22
Cash	1,966	1,912	856
Trade & other receivables	7,467	6,503	7,286
Inventories	112	97	78
Current assets	9,545	8,511	8,220
Trade & other receivables	674	657	1,127
PPE	4,388	3,700	4,585
Intangible assets	8,317	8,118	9,157
Non-current assets	13,378	12,476	14,868
Total assets	22,923	20,988	23,088
Trade & other payables	3,340	2,476	3,401
Other current liabilities	2,223	2,003	2,963
Current liabilities	5,563	4,479	6,346
Non-current liabilities	653	608	1,302
Total liabilities	6,216	5,087	7,666
Net assets	16,707	15,901	15,422

- Closing cash balance of \$2.0m as at 30 June 2023 and Net Assets of \$16.7m.
- Intangible assets include Goodwill of \$4.4m, Software of \$2.8m, \$0.9m of customer contracts and licenses of \$0.2m.

Summary Cash Flow

\$'000	1H FY23	1H FY22
Net cash from (used) in operating activities	1,410	(1,301)
Net cash used in investing activities	(1,026)	(1,544)
Net cash flow used in financing activities	(383)	(485)
Net cash movement	1	(3,365)
Cash at the beginning of the year	1,911	4,186
Effects of exchange rate	54	35
Cash at the end of the period	1,966	856

- Closing cash balance of \$2.0m as at 30-Jun-23
- Net cash from operating activities of \$1.4m
- Debt of \$0.4m repaid during 1H FY23 and no new debt taken
- Net cash used in investing activities includes capitalised development costs of \$0.5m and capex of \$0.5m
- Reduction in software capex achieved through focus on near term profitable projects.



Strategy & Outlook

FY23 Outlook

- **FY23 Revenue** expected to be between \$19.0m to \$20.5m (vs \$17.1m in FY22).

This implies:

- 2H FY23 expected Revenue growth of 16% - 33% versus 1H FY23; and
- 2H FY23 expected Revenue growth of 33% - 53% versus 2H FY22.



- Robust growing pipeline.
- New value proposition is under design and planning.
- Marginal increase in development investment.
- Addressing the high end of the market, while maintaining traction in the low to mid-end.

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