

# Investor Update Acquisition of



April 2<sup>nd</sup> 2024  
Andrew Harrison, CEO

# Resonance Health



# TrialsWest – Transaction snapshot

TrialsWest is one of Australia's most experienced and successful clinical research centres. It partners with the world's leading pharmaceutical and biotechnology companies to help bring new medicines and vaccines to the global community.

Overview	<ul style="list-style-type: none"><li>✓ TrialsWest is a well-respected clinical trial site operator that has worked with some of the world's leading pharmaceutical companies and CRO's for over 12 years</li><li>✓ Established by respected industry leaders Dr Helen Pavitt, Michelle Davies, &amp; Prof Peter Bremner</li><li>✓ The founders have agreed to remain in leadership roles with the group for at least 3 years</li></ul>
Value	<ul style="list-style-type: none"><li>✓ Total Consideration \$4M upfront based on 6 x proforma FY24 EBITDA</li><li>✓ Possible earnout consideration of up to \$4M based on EBITDA performance up to FY26</li><li>✓ A total of \$8M is payable upon annual EBITDA performance reaching \$1.33M up to the end of FY26</li><li>✓ Funded by cash reserves and a new debt facility</li></ul>
Highlights	<ul style="list-style-type: none"><li>✓ New growth platform to drive organic and acquisitive growth</li><li>✓ Immediate and medium-term opportunities to both open and acquire new sites in new geographies</li><li>✓ Acquisition builds on Resonance Health's deep domain experience in the clinical trial ecosystem</li></ul>

# TrialsWest – Overview

- ✓ Located in Perth, Western Australia
- ✓ 13 staff led by Dr Helen Pavitt, Michelle Davies, and Prof Peter Bremner who will continue with the business
- ✓ FY24 forecast revenue \$2M and EBITDA of \$667K
- ✓ Currently operating more than 25 trials across a range of disciplines
- ✓ World class clinical trial customer base



# About Resonance Health

Resonance Health is a globally recognised SaMD business leading the way in non-invasive MRI based quantitative organ evaluation

- ✓ Gold standard in liver iron measurement



- ✓ Other key products focussing on Liver Fat and Cardiac Iron



- ✓ Broad capability in clinical trial research services to CRO's, Trial Sites, and Pharma
- ✓ Design & manufacturer of high-quality MRI phantoms
- ✓ Significant R&D capabilities currently focussed on MRI liver fibrosis measurement and Anti Sense Oligonucleotides (ASON)

## Large Global Reach



### Customers

- Diagnostic
- Clinical Trials

### Snapshot

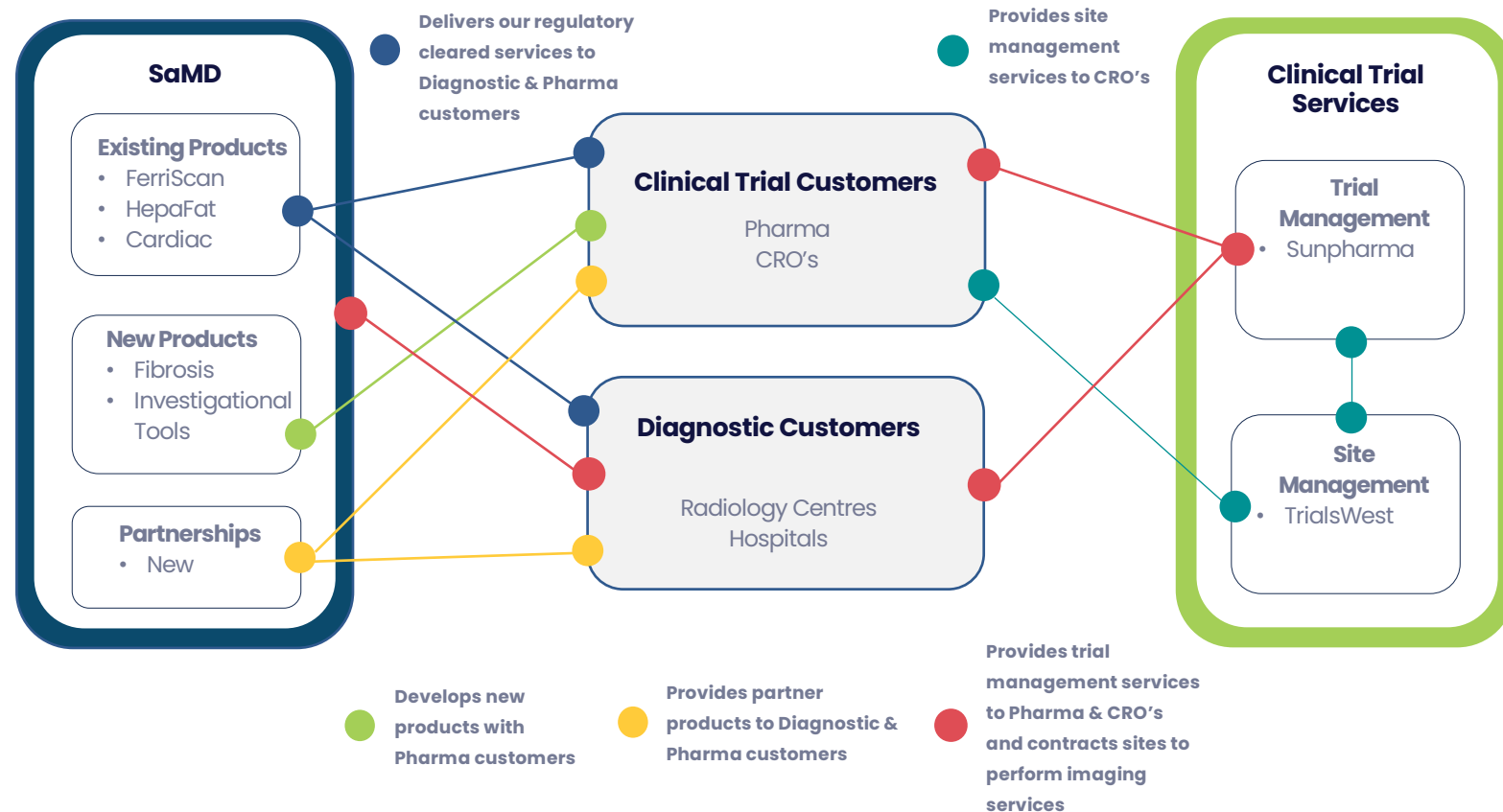
- In 48 Countries
- Over 400 Active Sites
- 90,000 Analysis Completed
- Over 35 clinical trials serviced



Map icons indicate our worldwide imaging locations, with over 400+ active sites.

# Business Model

There is a strong strategic interplay between the SaMD business, our customers, and clinical trial service activities



# Clinical Trial Growth Opportunity

The acquisition of TrialsWest represents a major step in the Company's strategy to develop a site management platform to drive greater participation in the clinical trial ecosystem

## Other Services

Imaging, Lab, Biobanks,  
Australian central reading  
services.



## Execution Services

Trial sites, patient  
recruitment, mobile visits.



## New Geographies & Partnerships

Japan, China  
partners, resellers,  
and others.



## Existing Products



FerriScan®, HepaFat®, Cardiac-T2\* and  
others.

## Product Improvements



Cardiac 3T, FerriScan® Shorter  
Acquisition, and others.

## Product Development



Fibrosis, Inflammation, ASON, and others.

# Strategic Rationale - Clinical Trial Ecosystem

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- ✓ Strong industry fundamentals
- ✓ Deep domain expertise and track record in providing products and services to the global clinical trials market.
- ✓ Established sophisticated systems & processes in place, including global regulatory & QA expertise
- ✓ Currently running the Sun Pharma clinical trial providing overall management and imaging services
- ✓ Opportunity to provide more services to existing customers and attract new customers
- ✓ Provides sensible expansion pathway both geographically (within Australia, then overseas) and via acquisition and organic growth opportunities throughout the ecosystem








# Attractive Industry Thematic

Australia is a highly attractive clinical trial destination – in 2019 95,000 people participated in over 1,800 trials – a 7% CAGR in the number of trials since 2015. Industry sponsored trials were worth >\$1.12B.

## Benefits

- ✓ Approvals and regulatory system
- ✓ Public private health system
- ✓ Multi-cultural population
- ✓ Population receptive to testing / participation
- ✓ Tax system.

Metric	2015*	2019**	CAGR (2015–19)
 Expenditure	\$1.1 billion	\$1.4 billion	5%
 Employment	6,900 employees	8,000 employees	4%
 Patient participation	Not reported	95,000	N/A
 Number of trials started	c.1,360	c.1,880	7%
 Share of global industry sponsored trials	c.5%	c.5%	Nil

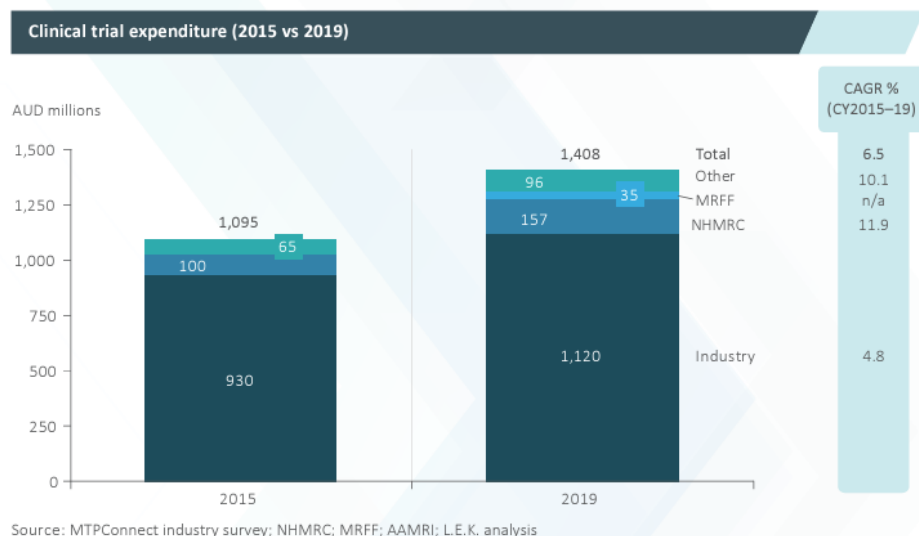
Note: \* As calculated in *Clinical Trials in Australia* (2017) report; \*\* As calculated in this report

\*MTPCONNECT.ORG.AU

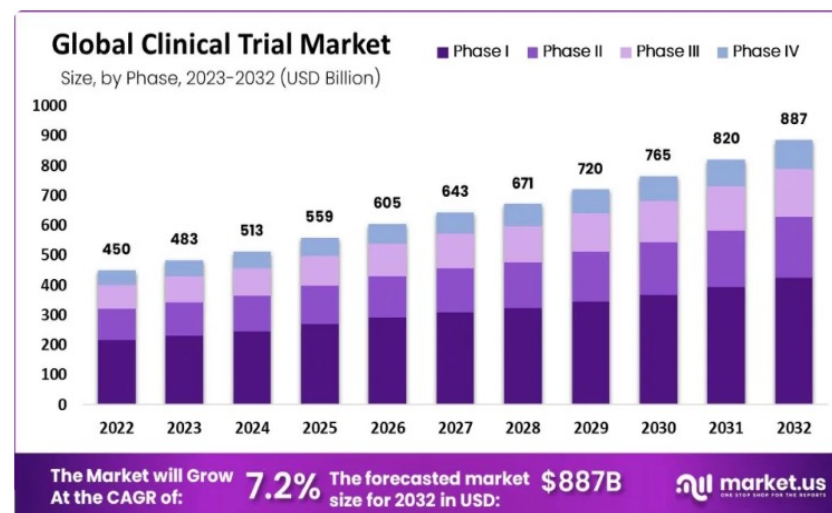


# Attractive Industry Thematic

## Australian Clinical Trial Market



## Global Clinical Trial Market



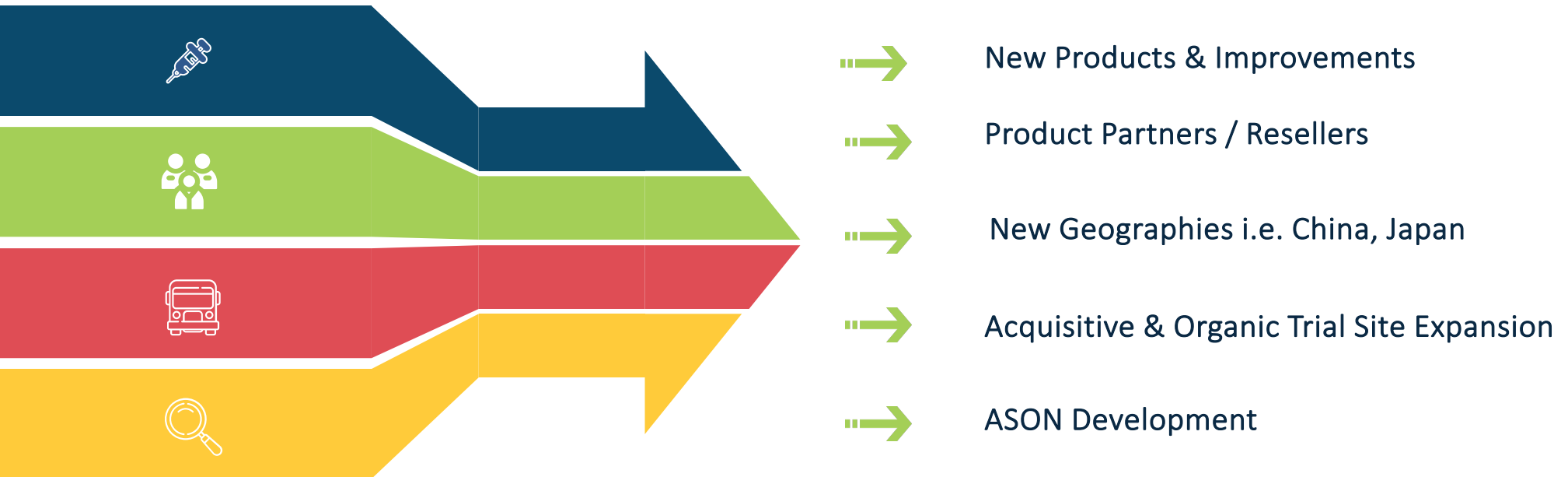
## Key Drivers

- ✓ Increasing rapidity of technological breakthroughs
- ✓ Shortening development timeframes
- ✓ Increase in outsourcing of trials
- ✓ Increase in efficiency of non-hospital trials

- ✓ The private clinical trial sector in Australia is fragmented and relatively difficult for sponsors to deal with
- ✓ Myriad of suppliers and specialists, i.e. trial sites, imaging, lab, specialty Doctors
- ✓ Decrease in attractiveness of public hospital sites driving community growth
- ✓ Clinical trials are often not the supplier's core focus

# Strong Path to Growth

Growth drivers converge to propel rapid scale-up and earnings growth



- ✓ Leveraging existing platform, products (& pipeline), global network, expertise and human capital

Strong full year FY24 revenues are expected on the back of record 1H-FY24 results, ongoing execution of the Sun Pharma clinical trial, and completion of the TrialsWest acquisition

- ✓ Record 1st Half FY24 Revenue of \$3.26M (+56% pcp)
- ✓ Revenue from Sun Pharma trial of \$1.05M in 1st Half and ongoing execution in 2nd Half
- ✓ TrialsWest acquisition expected to have a full year impact of \$2M revenue and \$650K EBITDA on a FY24 proforma basis
- ✓ Expected strong last quarter revenue run rate
- ✓ R&D tax rebate expected during last quarter

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