



# Beamtree<sup>®</sup>

## FY22 Annual Results

24<sup>th</sup> August, 2022

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# FY22 Highlights



# FY22 Key Strategic Highlights



Two important acquisitions completed in FY22, doubling the size of Beamtree

1. Acquisition of Potential(x) in Sept 2021, one of Australia's largest health data analytics company
2. Acquisition of Ainsoff to drive AI product innovation and add to our clinical decision support products



Major International contract wins supporting international expansion strategy including contracts with a number of NHS UK hospitals and largest ever contract secured in 2H FY22 (US\$7m, 5 year contract). Total contract value signed in FY22 for Beamtree Group was \$28m of which \$20m was signed in 2H FY22.



Strong sales momentum in 2H FY22 with organic growth in 2H FY22 at 26%\*, or 14%\* for full year FY22



Renewal rate at +95% of contracts up for renewal in FY22. Indicative of product demand.



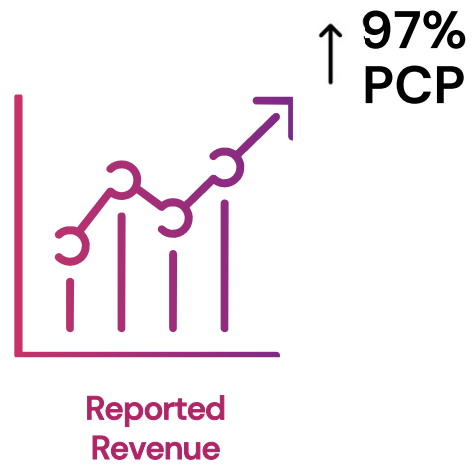
Material investment for growth made in multiple areas including Ainsoff AI products (\$1.6m), International business (+\$1m), Products +\$2m and Sales & Back office (\$1.5m) to support growth strategy.

*\*FY22 organic growth excl. large one off services (non recurring) revenue in 2H FY21 and 1HFY22*

# FY22 Financial Highlights



**\$18.2M**



**\$16.5M**



**\$4.1M**



Cash

**\$6.3M**

***Strong cash position with 2H FY22  
operating cash flow broadly neutral***

***Excludes \$2m large one-off  
receivable expected in 1H FY23***

\* Prior Corresponding Period "PCP"

\*\* Excludes impact of large one off advisory contract which had 60% of revenue in FY21, 40% in FY22. PCP growth would be 14% if this contract was included

# FY23 Outlook

## Revenue



- July 2022 trading conditions remain positive with like for like sales up 17% on the prior year.
- Total reported revenue growth target of ~35% in FY23.
- Sales pipeline continues to build particularly the International sales pipeline which is significantly larger versus prior year.
- International diagnostics expected to be the main driver of revenue growth in FY23.
- Pilot projects in Europe moving toward contract stage expected to boost 2H FY23.
- Aiming to conclude contract extension discussions with Abbott Laboratories in 1H23.

## Margin



- Revenue product mix in FY23 expected to drive improved gross margin.
- International scale and increasing contract value expected to contribute to increased gross margin.

## Costs/Cash



- Operating expenses to be carefully managed in FY23.
- Significant investment made in FY22 via acquisitions and investment in international growth strategy.
- Cost base in FY23 to remain stable outside of international growth aspirations.
- Targeted large scale contract wins will drive operational leverage.
- It is expected that benefits will flow from cost efficiency synergies as a result of acquisitions made in FY22.
- Move to operating cashflow positive in FY23.

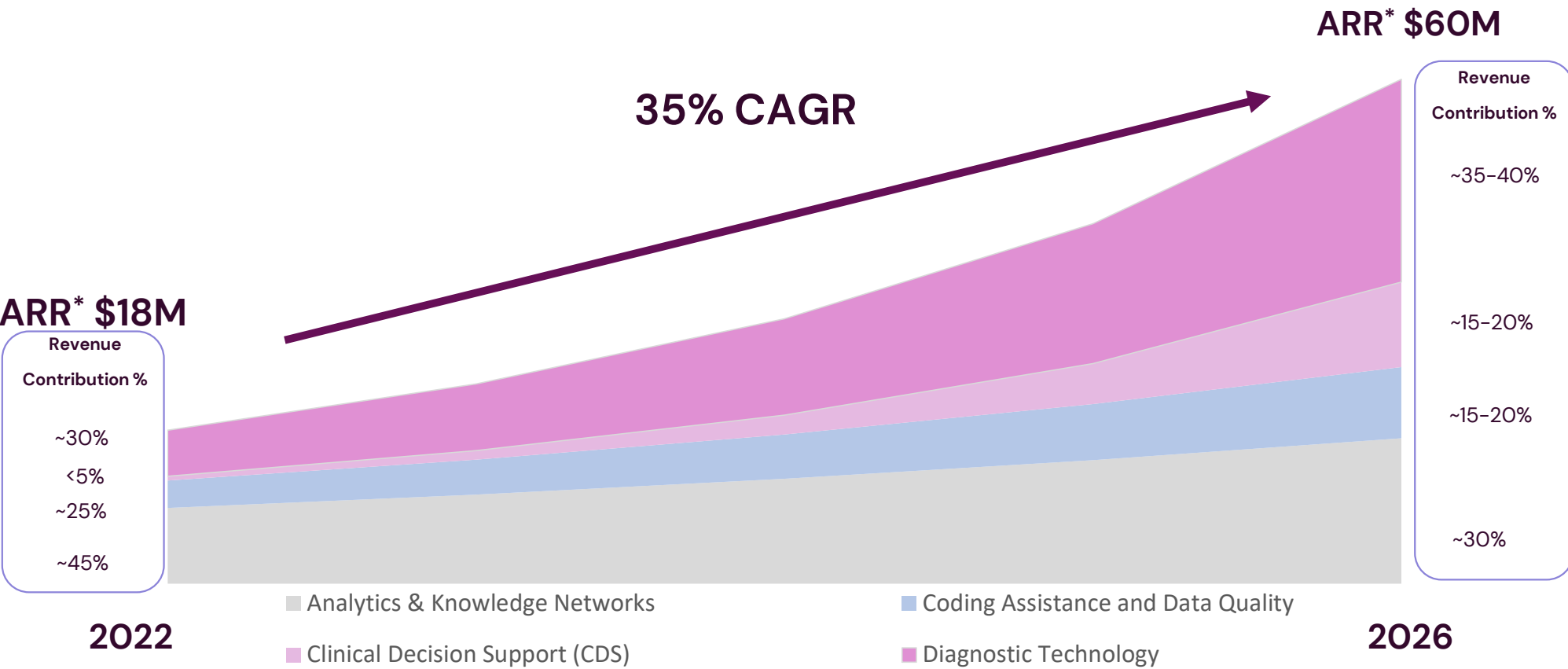
## M&A



- Recognising the increasing global focus on the Beamtree product suite and demand from customers thereon, the Company will also continue to work on identifying M&A opportunities to expand its presence and product portfolio.

All outlook statements are subject to ongoing uncertainty in relation to variability in market access conditions should COVID-19 pandemic related measures change in relevant markets and broader economic and geopolitical uncertainty.

# Long Term Outlook



\* Annual recurring revenue "ARR"

# Beamtree Strategy



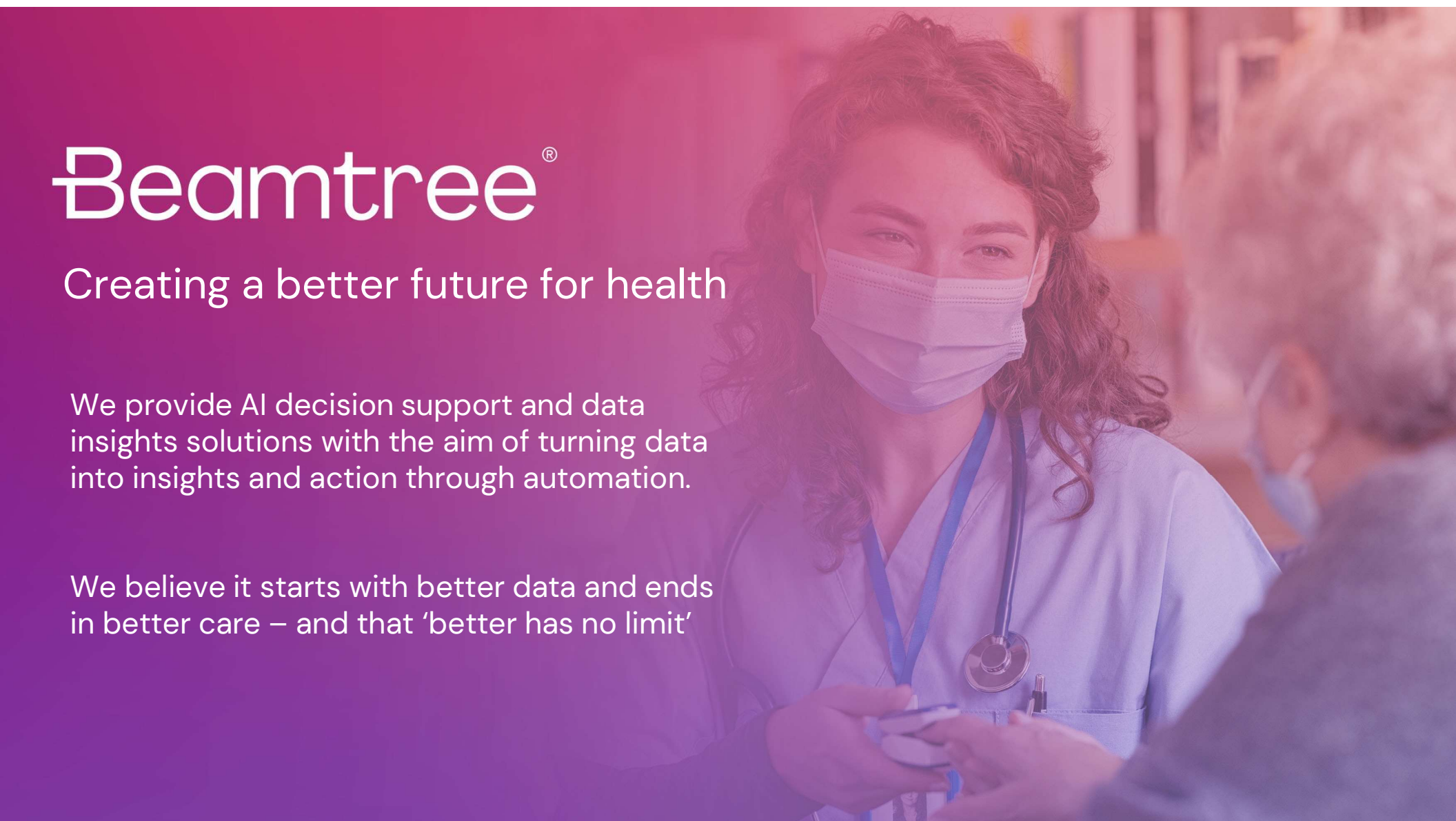




Creating a better future for health

We provide AI decision support and data insights solutions with the aim of turning data into insights and action through automation.

We believe it starts with better data and ends in better care – and that 'better has no limit'



## About Us



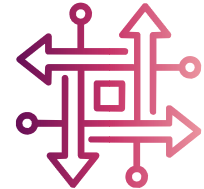
25+ years of experience



Australian company with  
Australian IP



Supporting healthcare  
globally

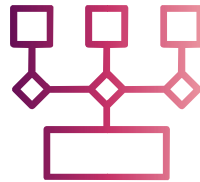


Cutting-edge use of AI  
and machine learning

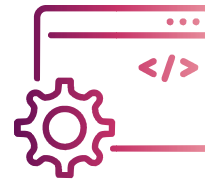
## Four Key Areas:



Diagnostic Technology



Clinical Decision Support



Coding Assistance & Data  
Quality



Analytics & Knowledge  
Networks

# Beamtree's History

## Pacific Knowledge Systems

Est. 1999 - Listed 2019

RippleDown<sup>™</sup>  
Auditor

RippleDown<sup>™</sup>  
Expert

## Ainsoff

Est. 2018 - Acq. 2021

Ainsoff<sup>™</sup>  
Deterioration Index

Aiscribe<sup>™</sup>  
Assisted Documentation

Ailert<sup>™</sup>  
Critical Results

## Pavilion Health

Est. 2005 - Acq. 2020

Picq<sup>™</sup> Risq<sup>™</sup>

## Potential(x)

Est. 2005 - Acq. 2021

Activity BarCoding<sup>™</sup>



# Supporting Healthcare Providers Globally

We support **175+ clients**  
who operate across



6  
Continents



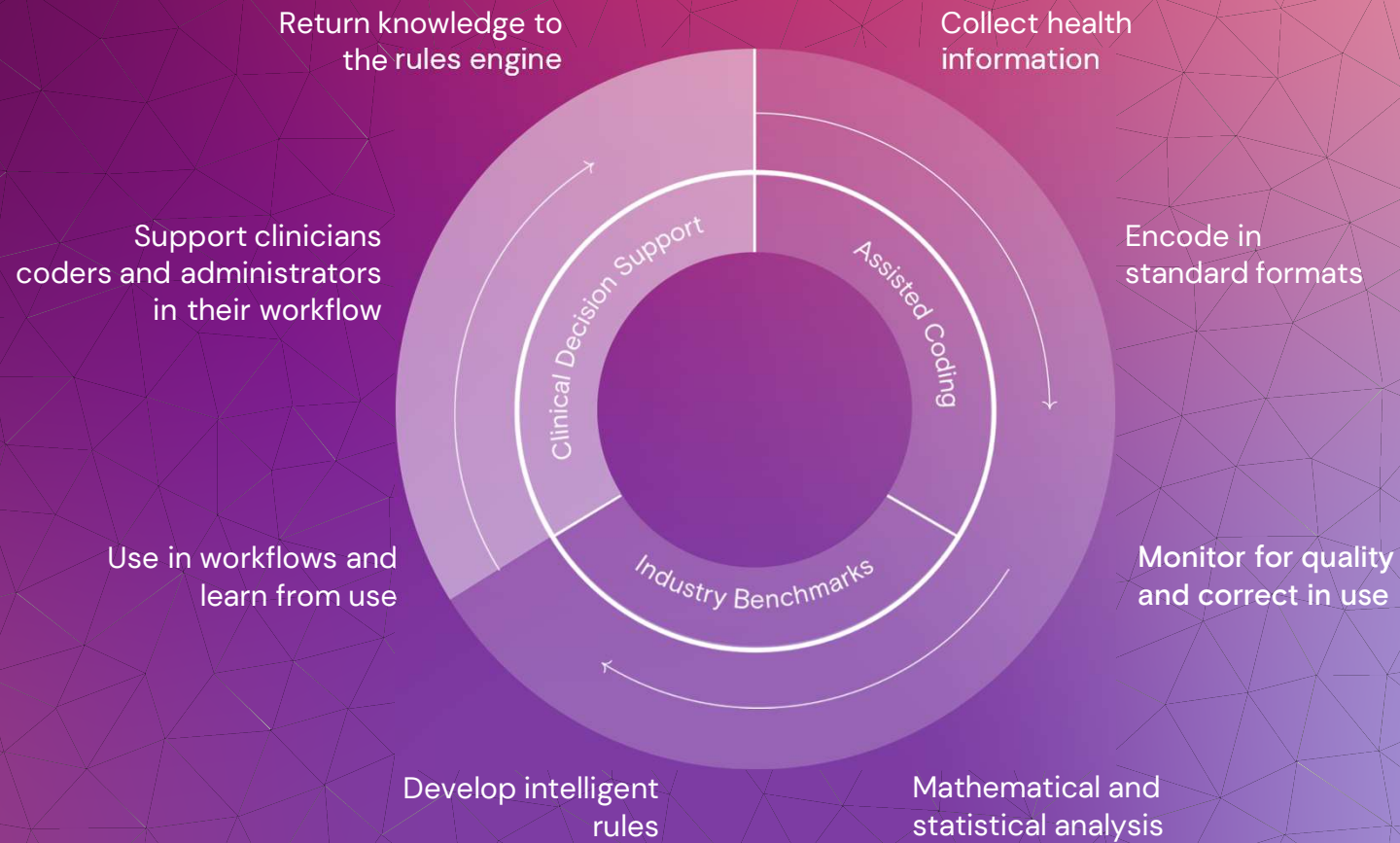
25  
Countries



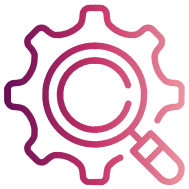
1100+  
Locations

# How we create value: the Learning Health System

Driving continuous improvement by better access to healthcare information – towards safety, quality and efficiency.



# Better Has No Limit: The Problems We Help Solve



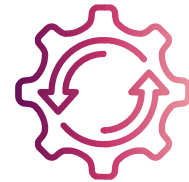
Tackle unwarranted variation



Offer revenue assurance



Promote transparency



Drive automation



Address equity of access and resource allocation



Bridge knowledge gaps



Increase efficiency, reducing mistakes



Improve quality of data



# Growth Strategy driven by four product segments



## Diagnostic Technology

Enabling the effective delivery of diagnostic services, while maximising expertise as they underpin the future of health and personalised medicine.

RippleDown<sup>™</sup>  
Auditor

RippleDown<sup>™</sup>  
Expert



## Coding Assistance and Data Quality

Digitising and automating workflows with data, classification, coding & technical expertise to improve information standardisation and quality.

Picq<sup>®</sup>

Risq<sup>™</sup>

Activity BarCoding<sup>™</sup>

CodeXpert<sup>™</sup>



## Clinical Decision Support

Combining human and artificial expertise together to enhance decisions that improve care, value and experience.

Ainsoff<sup>™</sup>  
Deterioration Index

Aiscribe<sup>™</sup>  
Assisted Documentation

Ailert<sup>™</sup>  
Critical Results



## Analytics & Knowledge Networks

Combining data analytics solutions with peer-to-peer alliances that accelerate innovation and knowledge diffusion.






Global Health<sup>™</sup>  
Comparators

Collaborative Partnerships  
(with Health Roundtable, Ability Roundtable)

HACBi

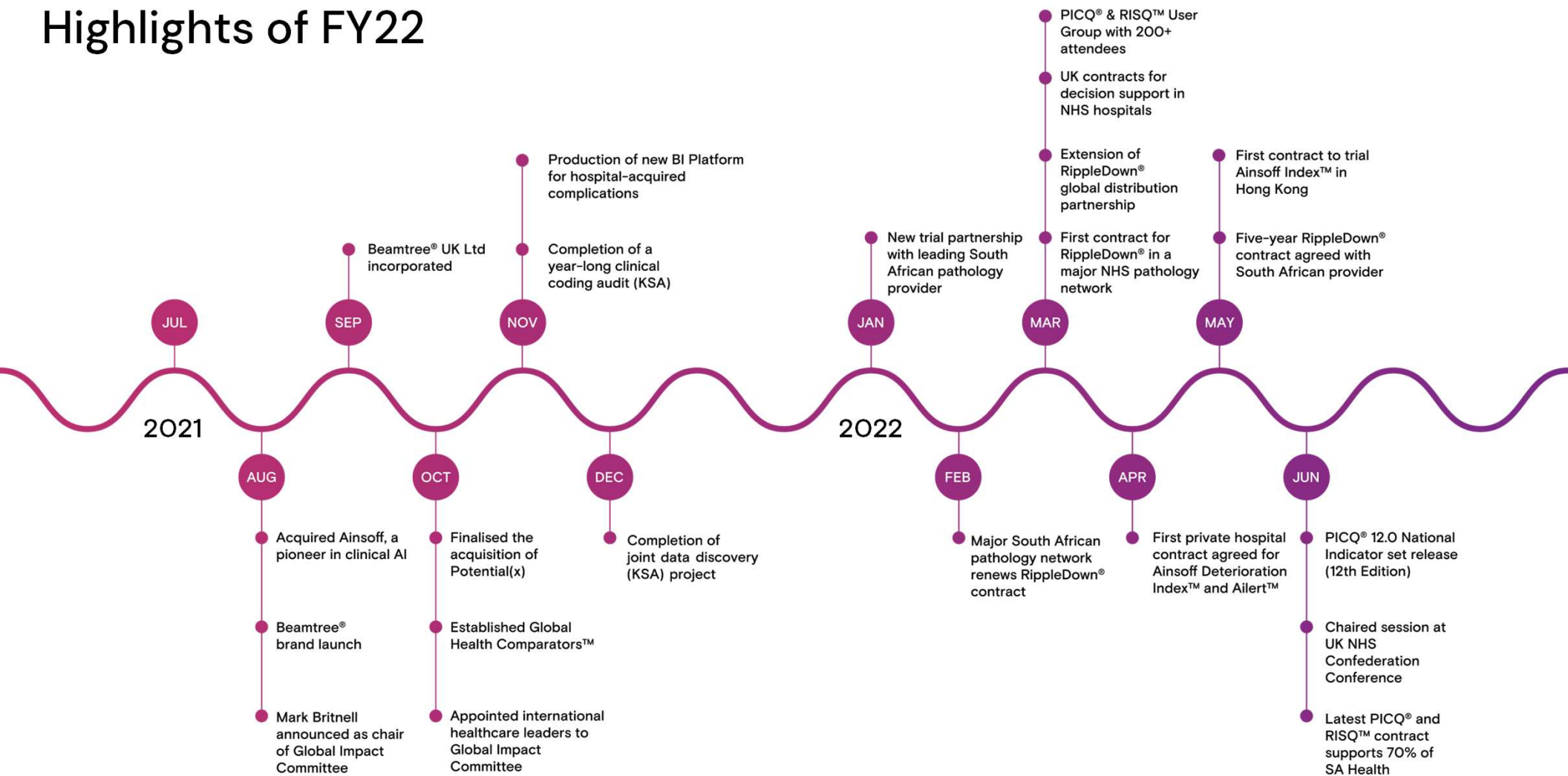
Workforce Wellbeing  
Collaborative Program

# Beamtree's Key Areas, Key Products and What They Do






	Product/ Solutions	Application	Problem Solved	ROI	Pricing/Scale
 Diagnostic Technology	RippleDown™ Expert	<b>Clinical</b> rules to automate expert decision making in Diagnostics	Removes duplication for experts in providing diagnostic results	Leverages clinical resources by using less costly resources	Recurring License + volume based fee,
	RippleDown™ Auditor	<b>Financial</b> and Admin rules to automate data administration for Diagnostics	Removes data errors contributing to financial loss	Fewer data errors/ lower bad debts	Typically annual or multi year contracts
 Coding Assistance and Data Quality	Picq®	Audit / benchmark tool to check and <b>recognise activity</b> for accurate coding / <b>highlight risk</b> for intervention	Reduces error and increases standardisation in coding for revenue and quality assurance	Timely, more complete and accurate information	Recurring licence fee based on volumes plus support fees
	Risq™				Typically annual or multi year contracts
 Clinical Decision Support (CDS)	Ainsoff™ Deterioration Index	<b>Clinical</b> rules with machine-learning to measures patient deterioration	CDS for predicting risk in acute patients, alerting clinical staff	Better patient care, less ICU admissions and a safety net for clinical teams	Recurring licence fee
	Ailert™ Critical Results	<b>Clinical</b> rules with machine learning to monitor and alert to critical results	Prevents missed diagnostics, ensures patients get the better care	Keeps patients safe, minimises clinical risk and staff supported	New products so pricing model evolving
 Analytics & Knowledge Networks	Collaborative Partnerships 	Combines data analytics solutions with peer-to-peer alliances	Accelerates innovation and knowledge diffusion amongst industry peers	Identifies best-in-class performance across industry peers to understand drivers for better care	Subscription revenue



# Highlights of FY22



# Recent Contract Wins

	Product/ Solutions	Recent Contract Wins	Going Forward
 Diagnostic Technology	<b>RippleDown™</b> Expert	<ul style="list-style-type: none"> <li>• Largest ever RippleDown contract (US\$7M 5 year) with a large global pathology group</li> </ul>	<ul style="list-style-type: none"> <li>• ~30% of FY22 revenue</li> <li>• Focus on international expansion</li> <li>• Key growth area in FY23</li> </ul>
	<b>RippleDown™</b> Auditor	<ul style="list-style-type: none"> <li>• New contract agreement with Australian Pathology operators in Q4 FY22</li> <li>• Continuing (transition) agreement signed with Abbott with both parties committed to a long-term partnership</li> </ul>	
 Coding Assistance and Data Quality	<b>Picq®</b>	<ul style="list-style-type: none"> <li>• ~\$0.8M AUD contracts signed with major Australian hospitals during Q4 FY22</li> </ul>	<ul style="list-style-type: none"> <li>• ~25% of FY22 revenue</li> <li>• New product investment in FY22 expected to support growth in FY23</li> </ul>
	<b>Risq™</b>	<ul style="list-style-type: none"> <li>• Close to 100% renewal rate for PICQ and RISQ contracts in FY22</li> </ul>	
 Clinical Decision Support (CDS)	<b>Ainsoff™</b> Deterioration Index	<ul style="list-style-type: none"> <li>• First subscription contract signed for Ainsoff Clinical Decision support in Q4 FY22</li> </ul>	<ul style="list-style-type: none"> <li>• &lt;5% of FY22 revenue</li> <li>• CDS expected to go to market in 2H FY23</li> </ul>
	<b>Ailert™</b> Critical Results	<ul style="list-style-type: none"> <li>• 5 pilot programs underway in Australia and UK</li> </ul>	
 Analytics & Knowledge Networks	<b>Collaborative Partnerships</b>	<ul style="list-style-type: none"> <li>• ~95% renewal rate for Health Roundtable in FY22</li> <li>• ~\$1.4M AUD contracts signed in Q4 FY22</li> </ul>	<ul style="list-style-type: none"> <li>• ~45% of FY22 revenue</li> <li>• Exploring international expansion</li> </ul>
			

# FY22 Acquisition – Update



## Potential(x)

- Acquired 30 Sept 2021
- Australia's largest health care data analytics company
- Performing in line with expectations and historical trading performance
- Integration progressing as planned with renewals rates ~95%
- Acquisition has allowed Beamtree to contribute to the industry leading collaboration partnerships particularly the Health Roundtable

Activity BarCoding™

Collaborative Partnerships  
(with Health Roundtable, Ability Roundtable)

HACBi

Workforce Wellbeing  
Collaborative Program



## Ainsoff

- Acquired August 2021
- \$1.5m additional capital invested in Ainsoff since acquisition
- ~\$2m investment expected in FY23
- Product now piloted in five hospitals
- First commercial implementation of Ainsoff' Deterioration Index now completed
- Ainsoff DI and Ailert being developed for large scale implementations by end of FY23

Ainsoff™  
Deterioration Index

Aiscribe™  
Assisted Documentation

Ailert™  
Critical Results

# FY22 Financial Results

# FY22 Summary Profit and Loss

P&L (\$M)	FY22 Actual	FY21 Actual	Change FY22-21
<b>Revenue</b>	16.5	8.4	97%
<i>Annual recurring revenue (ARR)</i>	18.2	6.7	172%
Expenses – staff	(14.2)	(4.7)	203%
<u>Expenses – non staff</u>	<u>(6.3)</u>	<u>(2.8)</u>	<u>125%</u>
Total operating expenses	(20.6)	(7.5)	174%
Operating (loss)/ profit	(4.0)	0.9	(554%)
Reported EBITDA	(2.3)	1.0	(325%)
Depreciation & amortisation	(3.6)	(1.5)	(142%)
Loss before tax	(6.0)	(0.5)	(1,107%)
<u>Tax benefit / (expense)</u>	<u>1.5</u>	<u>0.1</u>	<u>1,306%</u>
NPAT	(4.4)	(0.4)	(1,052%)
Basic EPS (cents)	(1.8)	(0.2)	(800%)

## Highlights

Group Revenue

**97%**

ARR

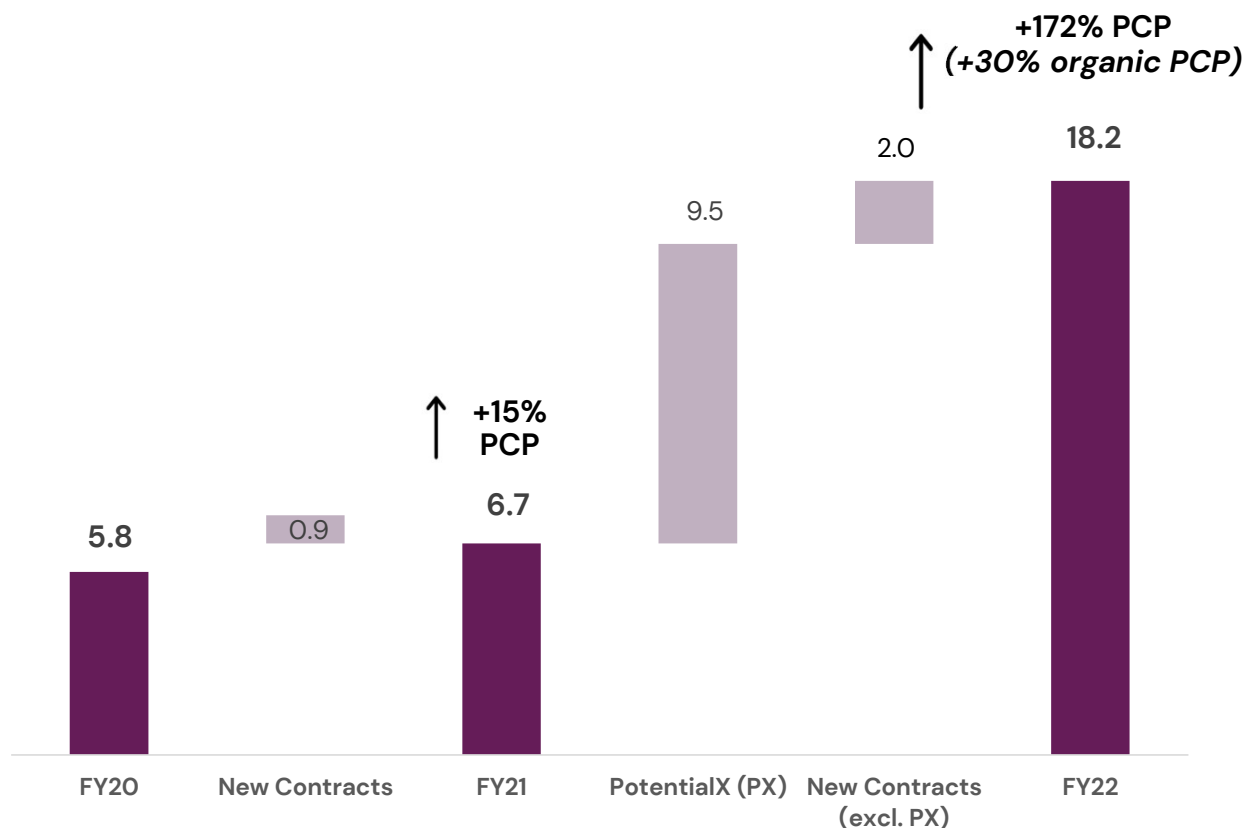
**172%**

Investment

**+\$5m**

for growth

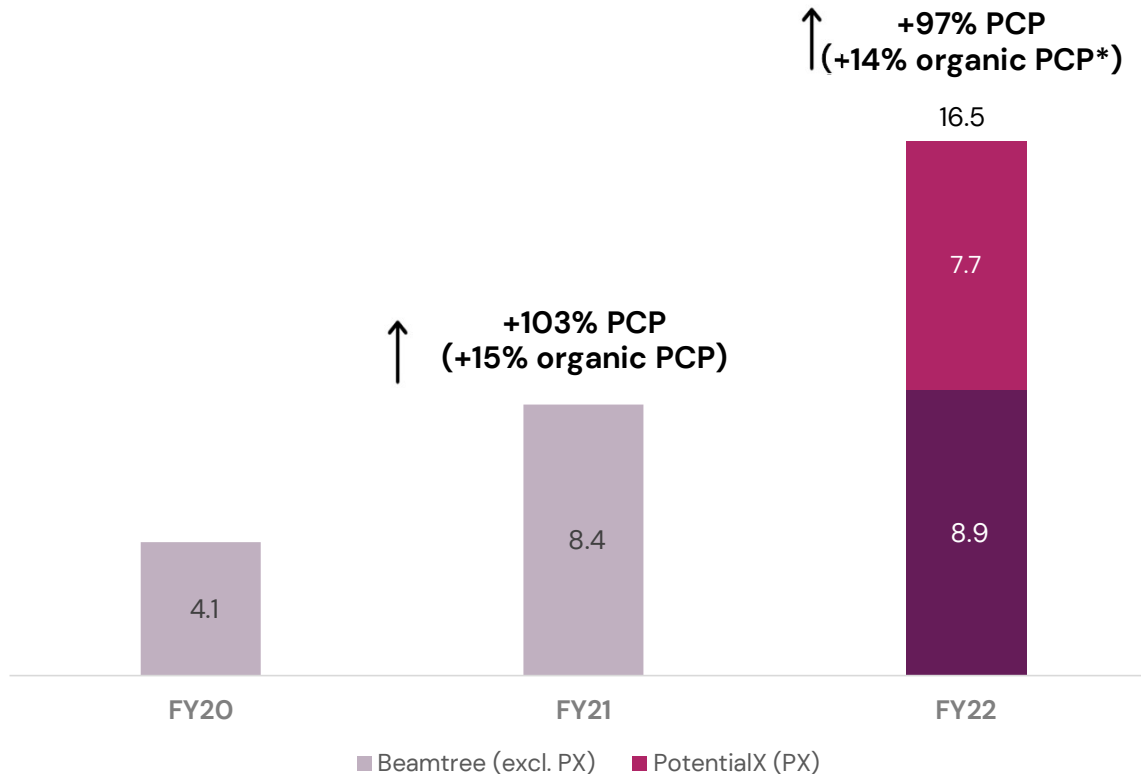
# Annual Recurring Revenue\* (ARR) Growth (\$'M)



- +172% growth in Annual Recurring Revenue (ARR) has been driven by \$9.5m (142%) contribution from Potential(x) and \$2.0m organic growth (30%)
- Organic growth in ARR is +30% in FY22 vs. FY21, largely driven by new international contracts in 2H FY2022.
- Organic growth of \$2M in FY22 represents a 120% growth vs. prior year
- 50% of organic growth from Diagnostics, 25% from Coding and 25% from Clinical Decision Support .

\*Annual Recurring revenue defined as June 22 recurring licence fee, volume based fees and subscriptions x12

# Reported Revenue Growth (\$'M)



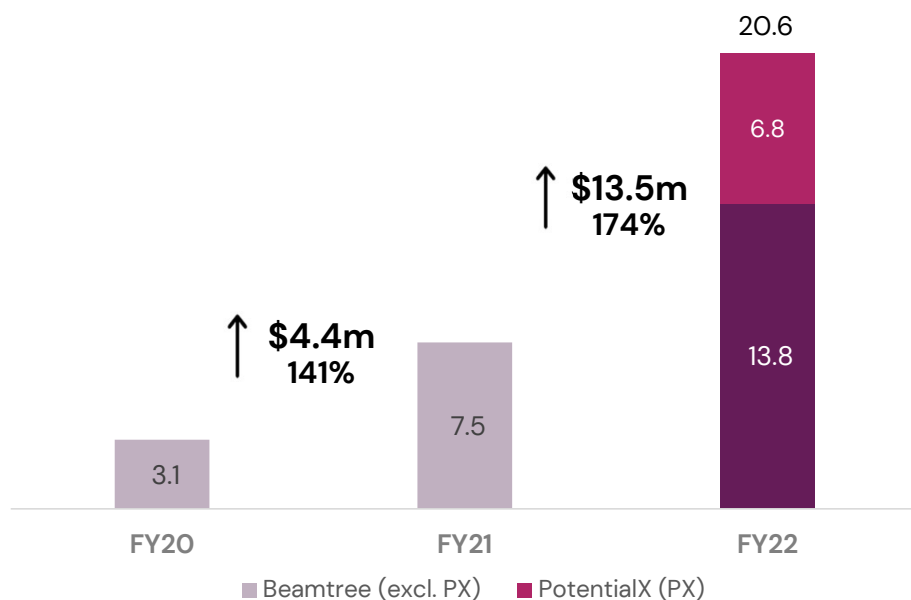
\*FY22 organic growth excl. Saudi services (non recurring) revenue impact

## Comments

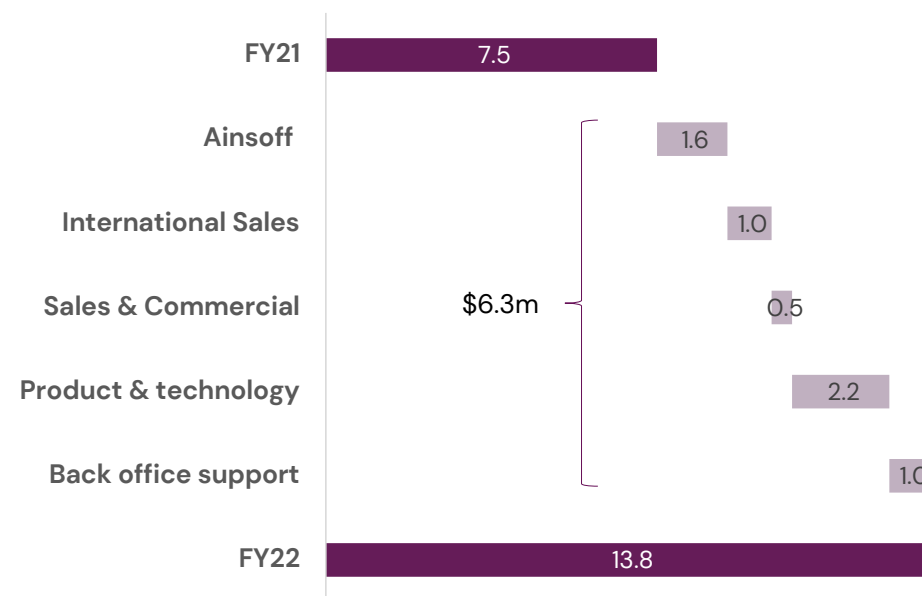
- +97% PCP growth in Reported Revenue in FY22 has been driven by \$7.7m contribution from Potential (x) and \$0.5m organic growth.
- FY22 organic growth of 14% PCP excl. one-off Saudi advisory services revenue of which almost entirely driven by 2H FY22 new contracts.
- Excluding the one off Saudi advisory income, 2H FY22 organic growth was 26% and predominantly driven by recent Diagnostics contract wins.

# Operating Expenses & Investments

Operating expense increase FY20 – FY22 (\$M)



Organic Operating expense increase (\$M)

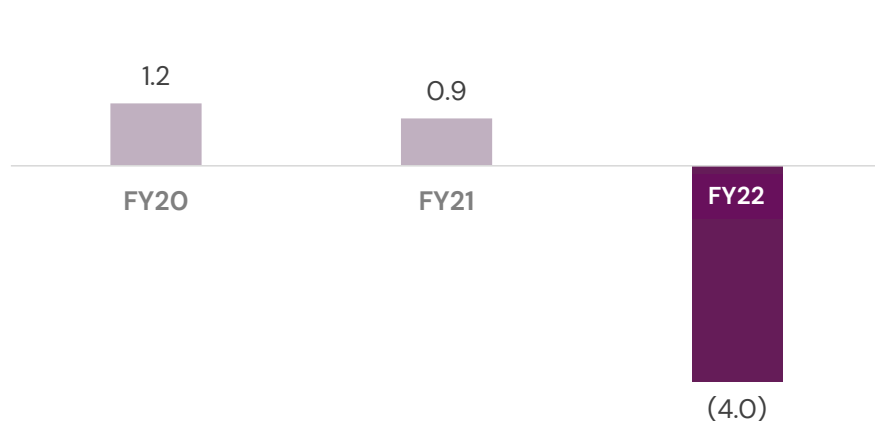


- \$6.3m organic operating expenses growth has been driven by investment in international business, sales, product, technology and back office support functions (incl. cloud hosting, accounting & legal fees) aimed at supporting the strategy for international expansion and developing relevant and valued products



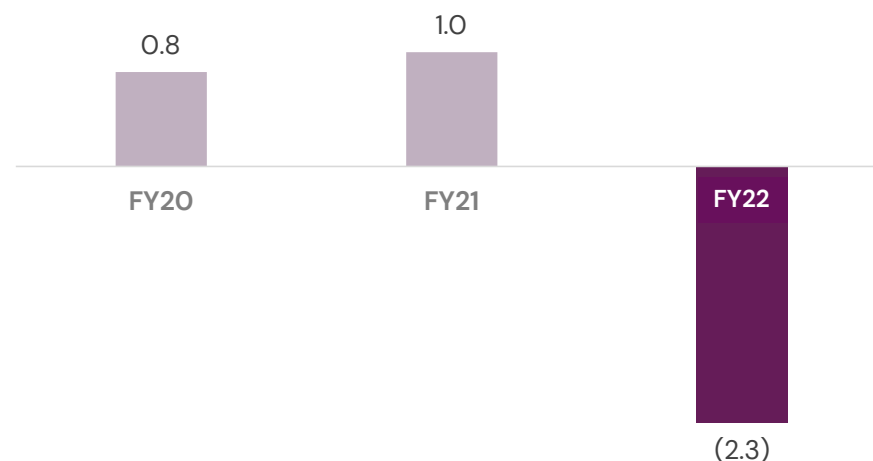
# Operating Profit and Reported EBITDA

Operating Profit (\$M)



- Operating loss driven by investment of more than \$5m in our capabilities, both product and people.
- Investment will support our aspirations for continued growth in sales and product development planned for FY23.

Reported EBITDA (\$M)



	FY20	FY21	FY22
<b>Operating Profit</b>	<b>1.2</b>	<b>0.9</b>	<b>(4.0)</b>
Foreign exchange (Loss) / Gain	0.0	(0.1)	(0.0)
Share based payment Expense (non cash)	(0.3)	(0.5)	(0.2)
Transaction cost	(0.2)	0.0	(0.9)
Impact of AASB 16	0.0	0.3	0.6
Other	<u>0.1</u>	<u>0.4</u>	<u>(0.3)</u>
<b>Total non operating expenses</b>	<b>(0.4)</b>	<b>0.1</b>	<b>(0.8)</b>
Fair value adjustment - deferred shares	<u>0.0</u>	<u>0.0</u>	<u>2.5</u>
<b>EBITDA</b>	<b>0.8</b>	<b>1.0</b>	<b>(2.3)</b>

# Balance Sheet

CONSOLIDATED GROUP (\$M)	FY22 Actual	FY21 Actual
<b>Current assets</b>		
Cash & cash equivalents	6.4	14.1
Trade & other receivables	6.9	2.1
Contracts	<u>0.1</u>	<u>1.1</u>
Total current assets	<b>13.3</b>	<b>17.4</b>
<b>Non current assets</b>		
Property plant & equipment	0.4	0.6
Right of use assets (property leases)	0.6	0.8
Intangibles	47.5	27.1
Deferred Tax assets	<u>2.2</u>	<u>1.2</u>
Total non current assets	<b>50.7</b>	<b>29.7</b>
<b>Current Liabilities</b>		
Trade & other payables	4.2	0.9
Contract liabilities	2.8	1.9
Employee benefits	1.4	0.5
Other liabilities	<u>0.5</u>	<u>0.5</u>
Total current liabilities	<b>8.9</b>	<b>3.8</b>
<b>Non current liabilities</b>		
Deferred consideration	3.3	0.0
Deferred tax liabilities	2.0	0.6
Investment bond payable	0.5	0.0
Other non current liabilities	<u>0.6</u>	<u>0.6</u>
<b>Total non current liabilities</b>	<b>6.4</b>	<b>1.2</b>
<b>Net Assets</b>	<b>48.6</b>	<b>42.1</b>

## Comments

**\$6.4m cash ,  
2H cash burn  
broadly neutral**

**\$6.9m trade receivable  
includes \$2m overdue  
from international client.  
1H FY23 collection  
expected**

**\$3.3m deferred  
consideration is  
equity, not cash and  
expected in FY24**

# Cashflow

CONSOLIDATED GROUP (\$M)	FY22 Actual	1H FY22 Actual	FY21 Actual
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	17.5	6.6	7.4
Payments to suppliers and employees	(20.6)	(8.9)	(7.7)
<u>Other receipts/(paid)</u>	<u>0.8</u>	<u>0.0</u>	<u>0.6</u>
Net cash provided by operating activities	<b>(2.3)</b>	<b>(2.2)</b>	<b>0.2</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
Payment for purchase of business, net of cash acquired	(2.7)	(2.7)	0.0
Payments for property, plant and equipment	(0.1)	(0.0)	(0.6)
Payments for intangibles	(2.4)	(2.2)	(2.3)
<u>Payments for security deposit</u>	<u>0.0</u>	<u>0.0</u>	<u>(0.1)</u>
Net cash provided by investing activities	<b>(5.2)</b>	<b>(4.9)</b>	<b>(3.0)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares, net of transaction costs	0.2	0.2	12.8
<u>Repayment of lease liabilities</u>	<u>(0.5)</u>	<u>(0.2)</u>	<u>(0.1)</u>
Net cash provided by financing activities	<b>(0.3)</b>	<b>(0.0)</b>	<b>12.6</b>
<b>Net increase/decrease in cash held</b>	<b>(7.8)</b>	<b>(7.1)</b>	<b>9.9</b>
<u>Opening Cash Balance</u>	<u>14.1</u>	<u>14.1</u>	<u>4.2</u>
<b>Cash and cash equivalents at end of period</b>	<b>6.4</b>	<b>7.0</b>	<b>14.1</b>

## Comments

### 2H FY22

Operating net cash  
broadly neutral

### \$2.7M

net cash spent on  
Acquisitions

Capitalised software  
much lower in 2H FY22  
by ~\$2m

# Thank you

