

Beamtree Holding Limited (ASX: BMT)  
ASX Announcement

Sydney, 28 October, 2021

## Chairman and CEO Address to the AGM Beamtree trading and global initiatives update

### HIGHLIGHTS

- New contract wins in Australia and New Zealand accelerating growth pipeline
- FY22 Q1 Revenue growth +23.1% PCP (excludes acquisitions as completion date is 30 Sep)
- 100% renewal rate for services in FY22 Q1 ending 30 September 2021, continuing strong trading performance
- Delivery of key contract milestone in Kingdom of Saudi Arabia
- Launch of new Global Health Comparators (GHC) program, a hospital collaborative designed to improve patient care following integration of Netherlands-based Global Health Data@Work
- Completion of Potential<sup>(x)</sup> acquisition
- Establishment of Beamtree Global Impact Committee

**28 October 2021 - Sydney, Australia: Beamtree Holdings Limited (“Beamtree” or “the Company”)** (ASX: BMT), a leading provider of health data insights and decision support solutions, is pleased to announce successful renewal of key contracts and new client wins in Australia and internationally, and the establishment of two global initiatives – the new Global Health Comparators (GHC) program and the Beamtree Global Impact Committee (GIC).

### Q1 FY22 Trading Update

In Q1 FY22 ending 30 September 2021, Beamtree secured new key contracts that include a new agreement with Southern Health District Health Board in New Zealand to implement proprietary data capture bar coding technology to support quality surveillance of outcomes in allied health. The Company also signed a strategic partnership with Central Adelaide Local Health Network (CALHN) – announced 30 September 2021. Additional contracts have also been signed with Capital & Coast District Health Board and MidCentral District Health Board in New Zealand to implement PICQ<sup>®</sup>, Beamtree’s coding quality software.

Beamtree CEO Tim Kelsey said: “Our trading performance at the start of this financial year reflects Beamtree’s focus in supporting health services so that health outcomes continuously improve. The contracts with Southern Health and with CALHN are the first in a pipeline of key partnerships which will innovate in field leading uses of data and decision support in healthcare.”

The Company also reports 100% retention rate of contracts in Q1 FY22, including major renewals with Healthscope and the Victorian Agency for Health Information.

Beamtree has also delivered on a key contract milestone to deadline in the Kingdom of Saudi Arabia, where it is running a national audit of public hospitals. This milestone was achieved after successful delivery of individual hospital reports for all participants with recommendations to improve quality of coding services.

## **Launch of the Global Health Comparators (GHC) Program**

Beamtree has launched the Global Health Comparators (GHC) program, a collaborative led by its international hospital members committed to improving patient-centred care worldwide. The program will integrate the successful Global Health Data@Work initiative into Beamtree, including its existing membership of eight hospitals from the United States, England, Italy, the Netherlands and Belgium.

“The new Global Health Comparators program brings together pioneering hospitals and enables healthcare leaders to look beyond their national boundaries,” said Kelsey. “The new program will build on the very strong foundations established by Global Health Data@Work over the last decade and also leverage the proven data science expertise of Potential(x) in supporting hospital improvement collaboratives like The Health Roundtable in Australia.”

Global Health Data@Work has a world-leading data analytic capability that has overcome the challenges of mapping and analysing hospital information drawn from different clinical classification systems. The purpose of this tool is to support hospitals to measure clinical performance and explore variation against shared international best practices, enabling healthcare leaders to initiate change in healthcare systems for better patient care.

Beamtree aims to expand this collaborative over the next 12 months in line with its strategic vision to improve patient outcomes and drive sustained international growth. Global Health Data@Work CEO Nina Janda joins Beamtree as Program Director for GHC and will be leading the Beamtree integration and expansion of this global initiative.

## **Completion of acquisition of Potential(x)**

During the quarter, Beamtree completed the acquisition of Potential(x), a complementary and market-leading specialist health & human services data analytics firm.

Potential(x) is an Australian pioneer in health data, with unrivalled expertise in health data collection, standardisation and benchmarking of clinical and financial outcomes. Potential(x) has client relationships with over 300 health service providers (including 250 hospitals across Australia, New Zealand and the United Arab Emirates), and 35 large Australian disability providers (who represent ~40% of NDIS funding). Potential(x) is also the full-service operator for The Health Roundtable Ltd – Australia and New Zealand’s premier benchmarking and hospital improvement cooperative, which includes a network of 200 hospitals across Australia, New Zealand, and the Abu Dhabi Health Services Authority (SEHA).

Beamtree has initiated a post-merger integration program to ensure rapid exploitation of commercial synergies with Potential(x) to materially increase the scale, capability and global

customer reach of Beamtree. On a pro-forma basis FY21 Revenue is circa \$20m of which 82% is recurring. The Beamtree team will more than double to over 110 employees.

The acquisition is fully funded and on attractive terms for Beamtree shareholders, with consideration to Potential(x) shareholders comprising up to 30m shares in Beamtree and \$4m cash consideration. This implies an enterprise value for Potential(x) of \$19.6m on a debt free, cash free basis (1.8x F21 revenue and 7.4 FY21 operational EBITDA).

Potential(x)'s Managing Director and majority shareholder, Duane Attree, has joined Beamtree's executive team and become a substantial shareholder. Potential(x) shareholders will own 9.6% of Beamtree.

Management and the Board of Beamtree now own 34% of the company.

The acquisition increases Beamtree's pro-forma FY21A EBITDA by 86% with only 9.6% dilution to existing Beamtree shareholders.

"This acquisition is in line with the Company's strategy to create one of Australia's largest health data and AI decision support platform," said Tim Kelsey. "Our teams share a collective vision to leverage health data and technologies to improve the quality and value of health systems – and I look forward to us accelerating our global growth together."

## **Establishment of Beamtree Global Impact Committee**

Following the appointment of Dr Mark Britnell as chair of the Beamtree Global Impact Committee (GIC) announced 27 August 2021, Beamtree has appointed 15 healthcare leaders to support this initiative.

The GIC is an advisory board that will provide advice on strategies and policies, promote best practice and innovation in health data, and advance the Beamtree mission to mobilise the power of data for a healthier, happier world. The GIC will lead thought leadership programs to promote the priority of quality in healthcare and convene an annual international conference organised by Beamtree. It will oversee programs to empower global comparison of health outcomes and pro-bono initiatives to support improvements in data quality in developing nations.

Members are:

- Martin Bowles AO PSM (Australia) - National Chief Executive Officer of Calvary Health Care
- Janet Davidson (Canada) - Administrator of Nova Scotia Health Authority, former chair Canadian Institute for Health Information
- Andy Hardy (UK) - Chief Executive Officer of University Hospitals Coventry and Warwickshire NHS Trust
- Tom Jackiewicz (USA) - President of the University of Chicago Medical Centre and Chief Operating Officer of the UChicago Medicine health system
- Dr Shane Kelly (Australia) - Group Chief Executive Officer of St John of God Health Care
- Sir Bruce Keogh (UK) - Chair of the Birmingham Women's and Children's NHS Foundation Trust; former National Medical Director, NHS England

- Prof Low Cheng Ooi (Singapore) – Chief Technology Officer at Sheares Healthcare Group; Special Advisor, CMIO Office, Ministry of Health Singapore
- Prof Keith McNeil (Australia) - Acting Deputy Director-General, Chief Medical Officer (Prevention Division) and Chief Clinical Information Officer, Queensland Health.
- Tony O’Brien (Ireland) - Leadership, Governance and Strategy Adviser; former Director-General Health Service Executive (HSE), Republic of Ireland
- Dr Sangita Reddy (India) - Joint Managing Director of Apollo Hospitals Enterprise Limited
- Prof Walter Ricciardi (Italy) - Professor of Hygiene and Public Health at Università Cattolica del Sacro Cuore, Rome; Scientific Advisor to the Italian Minister of Health for the coronavirus pandemic
- Sara Raggiare (Sweden) - PhD student in selfcare for Parkinson’s Disease at Health Informatics Centre, Karolinska Institutet, Stockholm, Sweden
- Dr Don Rucker (USA) - Physician leader with national clinical informatics success; former US Federal National Co-ordinator for Health Information Technology
- Roger Taylor (UK) - Author ; former chair, UK government’s Centre for Data Ethics and Innovation
- Jim Birch AO (Australia) – Beamtree non-executive director and observer.

-ENDS-

## ABOUT BEAMTREE

Beamtree (formerly PKS Holdings) is an Australian pioneer that works with health organisations around the world to make it simple for healthcare providers to access quality information, automate wherever possible and make informed decisions. Our products enable healthcare organisations to use data and insights in a continuous cycle of learning and improvement, driving quality, safety and efficiency:

- Automated clinical record coding and classification services that are the Australian standard for improving the quality of clinical data and now used internationally to support clinical outcomes and financial efficiency
- Real time data analytic and benchmarking applications which have proven impact on reducing adverse clinical events and support best value health care
- AI clinical decision support which automates clinical expertise to minimise data errors and provides real analysis and interpretation in more than 150 locations around the world.

For further information visit [beamtree.com.au](http://beamtree.com.au).

Authorised for the release by the Chairman of the Board.

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