



Beamtree Holding Limited (ASX: BMT)

ASX Announcement

Sydney, 30 September 2021

Completion of Acquisition of Potential^(x)

HIGHLIGHTS

- Beamtree has completed the acquisition of 100% of the shares in Potential^(x)
- The acquisition is fully funded with consideration to Potential^(x) shareholders comprising up to 30m shares in Beamtree and \$4m in cash
- This implies an enterprise value for Potential^(x) of \$19.6m on a debt free, cash free basis (1.8x F21 revenue and 7.4x FY21 operational EBITDA)
- The acquisition increases Beamtree's pro-forma FY21 revenue to circa \$20m and FY21A EBITDA increases by 86%

Beamtree Holdings Limited ("Beamtree" or the "Company"), a leading provider of health data insights and health coding solutions, is pleased to announce that it has now completed the acquisition of Potential^(x) Holdings Pty Ltd ("Potential^(x)"), a complementary and market-leading specialist health & human services data analytics firm, as announced on the 30 August 2021.

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).

As part of the acquisition, Beamtree will fully integrate Potential^(x)'s platform as an extension of its offering which will 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, will join Beamtree's executive team and become a substantial shareholder.

"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 Beamtree Chief Executive Officer 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."

Following completion of the acquisition, the Company's issued capital is as follows:

Security description	Total number of securities on issue
Ordinary Fully Paid	242,936,400
Option expiring 1 Oct 2023, ex10c	6,000,000
Option expiring 29 May 2024, ex20c	1,825,000
Performance Rights	7,767,000
Option expiring 10 June 2025, ex \$0.20	375,000
Performance Shares	6,000,000

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About Beamtree

Beamtree (formerly PKS Holdings) is an Australian pioneer that works with health organisations around the world to better capture, manage and leverage human expertise. At Beamtree, we 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 provide real analysis and interpretation in more than 150 locations around the world.

For further information visit beamtree.com.au.

Authorised for the release by the Chairman of the Board.

Beamtree

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