Beamtree

Beamtree Holdings Limited (ASX: BMT)
ASX Announcement

Sydney, 17 May 2022

Beamtree trading update

Beamtree Holdings Limited ("**Beamtree**" or "**the Company**") (ASX: BMT), a leading provider of AI decision support and data insights solutions, is pleased to confirm:

- **new contract wins since the start of 2022 worth $16m total contract value and around $3.0m per annum in revenue over the next 12 months.**
- **accelerated international growth with sales of products and capabilities in the period, with Beamtree's services now operating in more than 20 countries.**

The information below provides an update to shareholders on notable progress and recent contracts signed since the start of 2022 across Beamtree's four key product categories. The impact of these achievements will not materially impact financial performance in the current financial year but will impact future years.

Our Products (and latest milestone updates on each)
Beamtree provides automation technology and data analytics that support health care providers to improve safety, increase effectiveness and reduce the administrative burden on clinical staff. **The four key product categories include**:

1. **Diagnostic technology**: powered by our flagship RippleDown® software products which automate expert decision making in clinical and administrative processes in pathology;
2. **Coding Automation and data quality**: our RippleDown® and PICQ® coding technologies improve data quality in health services, and are now using AI to develop new approaches to the automation of clinical record coding;
3. **Clinical decision support**: our suite of Ainsoff applications leverage RippleDown® with machine learning to transform patient safety through automation of clinical and administrative processes; and
4. **Analytics and knowledge networks**: we are field leaders in using data to benchmark quality and financial efficiency through national and global peer-to-peer alliances that accelerate innovation and knowledge management.

Recent contract wins

1. Diagnostic technology

Beamtree confirms its position as a leading provider of decision automation services in pathology with key contract wins and renewals in South Africa, first contracts in the UK, and a new agreement with Abbott Laboratories to focus on marketing RippleDown® in Europe, the Middle East and Africa.

RippleDown® is proprietary software that automates clinical and administrative processes in healthcare, specifically in pathology. RippleDown® reduces the time pathologists spend reviewing routine test results and improves the quality of data entry to drive financial efficiency.

Beamtree sells RippleDown® Diagnostics Technology directly to pathology customers alongside its indirect partnership with Abbott Laboratories Inc.

1.1 First contract to trial RippleDown® in a major NHS pathology network

University Hospitals Coventry and Warwickshire NHS Foundation Trust will implement a six-month proof of concept to trial RippleDown® across its pathology services network, focused on testing in two conditions (thyroid disease and diabetes). The preliminary work provides the opportunity for long term operational implementation of RippleDown® in these pathology services and provides a showcase for other NHS Trust operations.

The NHS diagnostics technology maiden proof of concept represents an exciting direct sales opportunity to the very large public NHS pathology market.

1.2 Abbott partnership extended

In March 2022, Beamtree signed a continuing (transition) agreement with Abbott Laboratories Inc., a global healthcare company. Both parties are committed to a long-term partnership with the six-month transition agreement providing time to design a long-term agreement for wider international distribution of RippleDown® software. The initial focus for new marketing and distribution is on laboratory clients in Europe, the Middle East and Africa.

Since renewing the Abbott partnership contract, albeit on a transitionary basis, the Beamtree team has been proactively working with the Abbott team in the EMEA region on some very exciting large profile and highly qualified indirect sales opportunities.

1.3 Ampath five-year RippleDown® contract agreed

In May 2022, Beamtree signed a new long-term strategic partnership with Ampath Laboratories ("Ampath"), a leading provider of pathology services in South Africa. This partnership follows a successful proof-of-concept pilot that examined how Beamtree's flagship RippleDown® products can help Ampath laboratories provide the best pathology services, driving better healthcare quality, safety and value for money.

The Beamtree-Ampath partnership represents a major strategic milestone in confirming the international opportunity for the export of Beamtree's RippleDown® technologies.

1.4 Lancet contract renewal

Beamtree has also renewed its diagnostic technology contract with one of the top pathology providers in South Africa, Lancet Laboratories.

This cements the decade-long relationship between Beamtree and Lancet and highlights the strength and depth of the 100% renewal retention rate Beamtree has with its Diagnostic Technology customers.

2. Automation coding and data entry

Leveraging the RippleDown® decision support technology to automate clinical record coding, Beamtree is developing Machine Learning and Artificial Intelligent ("AI") applications which assist hospital customers add automation of coding.

Coding is a priority for health services around the world because it improves data quality, clinical quality and financial assurance in both public and private healthcare.

Beamtree has contracted with strategic partners in Queensland and the NHS in England to trial these new technologies.

2.1 Queensland trial of Beamtree automation of coding

Beamtree is pleased to announce a new strategic partnership (known as "The Global Centres of Excellence Collaborative") with the Government of Queensland (Queensland Health), Gold Coast Hospital and Health and Service and Queensland Children's Health Queensland Hospital and Health Service to trial new Beamtree technology to automate clinical record coding. The contracts will also trial the application of RippleDown® to improve the efficiency of pathology ordering and advanced comparative benchmarking analytics. These trials aim to prove evidence for the wider application across public health services.

Prof Keith McNeil, Chief Clinical Information Officer and acting deputy director general of Queensland Health said: *"The Global Centres of Excellence Collaborative represents a key step in the application of AI decision support to improve patient outcomes. This leverages the benefits of our EMR development in using data and intelligence to deliver continuous improvement in healthcare across the state, aligned with our vision of building and sustaining a world class health system for all Queenslanders."*

2.2 Beamtree automation of coding in two leading NHS Trusts in England

Beamtree has secured its first paid 12-month proof of concept contracts with Milton Keynes University Hospitals and Lancashire Teaching Hospitals in England to trial our automation of coding technologies. The envisaged outcome is a long-term partnership to implement the automation of coding in a large majority of routine cases within 24 hours of discharge, liberating the hospital's clinical coders to focus on complex cases and support clinicians in improving patient care.

Milton Keynes CEO Joe Harrison said*: "Our Trust is determined to provide the best possible services to our population – and that starts with making sure we use the highest quality data to inform both our clinical decision making and our ongoing patient care. This partnership is testament to our commitment to patient safety, transparency and the smart allocation of resources to ensure our people receive the quality of care they deserve."*

Lancashire Teaching Hospitals CEO Kevin McGee said: *"We welcome the opportunity to test and learn from tools that can help improve patient safety and deliver better care to the population of Lancashire and South Cumbria."*

As with Diagnostics Technology, Beamtree is very pleased to have commenced these exciting automation coding opportunities with the NHS via these highly influential and well regarded Hospital Trusts in England.

2.3 New wins and 99% renewal rate in core PICQ® and RISQ™ products

Beamtree's long established PICQ® technology is field leading in automating audit of the quality of clinical record coding, a critical requirement for data accuracy to ensure revenue and quality assurance by payors and providers. Beamtree analyses more than 90% of coding activity in private and public healthcare in Australia and also provides industry-leading services to clients internationally.

New contract wins for PICQ® include Hutt Valley District Health Board in New Zealand and Darling Downs Health and Human Services in Queensland, Australia. Our renewal rate for PICQ® is currently at 99% confirming the importance of the product in helping health services manage data quality and financial optimisation. We have also agreed our first contract with the NHS in England to investigate the application of Beamtree coding services in supporting data quality with Southern Health NHS Foundation Trust

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Beamtree reports 100% renewal of RISQ™ contracts – supporting providers and public payors in Australia to monitor the quality of their reporting of Hospital Acquired Complications (HACs) – and key new contract wins in the third quarter include Barwon Health in Victoria.

3. Clinical decision support

Beamtree is developing productised versions of three AI prototypes applications (from the Ainsoff acquisition) which leverage RippleDown® technology to target key pain points in global hospital delivery, including:

- improving the management of patients at risk of sudden and serious deterioration (Ainsoff Deterioration Index);
- automation of clinical documentation to reduce the administrative burden on front line staff; and support improved coding
- real time reporting of critical test results so that clinicians are able to respond quickly to support patient care ("Critical Alert Service").

These services have been through hospital trial, and the results have been the subject of a peer-reviewed publication. Beamtree has secured our first recurring licence for two of these applications in an Australian private hospital plus secured trial implementation with a number of strategic partners in hospitals in both Australia and internationally. These are described in more detail below.

3.1 Key contract agreed with Sydney Adventist hospital for AI decision support in-hospital care

Beamtree has signed a multi-year contract with Sydney Adventist Hospital to help address patient deterioration and support urgent care by implementing both the Ainsoff Deterioration Index (patient deterioration detection) and our Critical Pathology Alert Service over the next two years.

Measuring and aiding clinicians with critical decisions around patient deterioration is an advanced step forward and significantly improves dated manual systems used around the world.

3.2 Central Adelaide goes to live trial of Ainsoff Deterioration Index

Following the success of the initial proof of concept, the Ainsoff Deterioration Index has been implemented live across four wards in Queen Elizabeth Hospital and Royal Adelaide Hospital. This is the first public hospital implementation of the Ainsoff Index.

In a press statement to launch the live implementation, Central Adelaide Local Health Network (CALHN) reported that Beamtree technology had identified the majority of patients at risk of ICU admission in advance.

These contracts with Sydney Adventist and Central Adelaide represent the achievement of key strategic milestones and provide compelling case studies for other potential new customers on the benefits of our new Ainsoff Deterioration Index product and Critical Alert Services.

3.3 International contracts for trial adoption of AI decision support in NHS hospitals

Beamtree has agreed contracts to trial and evaluate the Ainsoff Deterioration Index with Lancashire Teaching Hospitals and the University Hospitals Coventry & Warwickshire (UHCW) in the English NHS.

Beamtree will also trial implementation of its technology to automate clinical documentation, including discharge summaries with Lancashire Teaching Hospitals to improve patient safety and reduce the administrative burden on the clinical frontline.

Another positive step forward by Beamtree is working with the NHS to provide its tools and processes around these critical decision-making processes. All benefits of the efficiency generated by RippleDown® powered products used in hospital environments in Clinical Decision Support.

4. Analytics and knowledge networks

4.1 Partnerships with Health Roundtable and Ability Roundtable

Following the acquisition of Potential[x] in October 2021, Beamtree provides data analytics and other services on behalf of two organisations: Health Roundtable and Ability Roundtable. The performance of Potential[x] is consistent with the expectations at the time of acquisition. Renewals for Health Roundtable since the acquisition have tracked historical levels (~94%) and the recent introduction of multi-year subscriptions for Health Roundtable has attracted, to date, commitments for 2023 and 2024 subscriptions from approximately 25% of members.

Presentation for more information:

Please refer to Beamtree's company update presentation which visually adds to the way in which RippleDown® powers these exciting tools for Beamtree customers in pathology and the hospital environment.

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Authorised for release by the Chairman of the Board.

About Beamtree
Beamtree provides cutting edge automation technology and data analytics that support health care providers improving safety, effectiveness and reduce the administrative burden on clinical staff.
- Diagnostic technology: our flagship RippleDown® products automate expert decision making in clinical and administrative processes in pathology.
- Automation of clinical record coding and data integrity: our RippleDown® and PICQ® coding technologies improve data quality in health services, and are now using AI to develop new approaches to the automation of clinical record coding;
- Clinical decision support in acute and community care: our suite of decision support applications leverage RippleDown® with machine learning to transform patient safety through automation of clinical and administrative process;
- Analytics and knowledge networks: we are field leaders in using data to benchmark quality and financial efficiency through national and global peer-to-peer alliances that accelerate innovation and knowledge management.

For further information visit beamtree.com.au.

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