

Beamtree Holdings Limited (ASX: BMT)
ASX Announcement

Sydney, 31 October 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 release a trading update for the first quarter of the current financial year to 30 June 2023 (“FY23”) plus an operational update on selected achievements in the first quarter to 30 September 2022 (“Q1”).

Q1 Trading update

Beamtree continues to perform well with recurring revenue growth of 170% in Q1 or 22% when excluding the impact of the acquisitions. Customer renewal rates continued at historical levels, at +95%. Organic revenue growth rate was 22% which compares to the organic cost growth of 7% in the first quarter of FY23.

During the period, the Company delivered positive operating cash flow including the receipt of AU\$2m from an international client that was outstanding at the end of FY22.

The sales pipeline for the Company remains strong, with 75% of the overall pipeline relating to international opportunities as the Company builds momentum in the UK, Singapore, Saudi Arabia and Hong Kong. Outlined below are key achievements across our four business segments.

Diagnostic Technology (*The Rippledown software application sold to Pathology customers worldwide*)

Revenue growth for Beamtree’s Diagnostic Technology segment was 29% in Q1, mainly driven by new international contracts. The international interest for RippleDown® continues to grow, resulting in an increased pipeline of direct and partner opportunities. The University Hospitals Coventry and Warwickshire NHS Trust pilot program is ongoing, with the aim to conclude the pilot phase within weeks. Future expansion of this agreement is anticipated in FY23 enabling this Trust to be a new reference site for the rest of the NHS across the United Kingdom.

Clinical Decision Support (*The Ainsoff patient deterioration software application sold to Hospital customers*)

Beamtree continues to invest in its AI based clinical decision support products, notably the Ainsoff Deterioration Index™ (ADI), a machine learning tool used to predict the risk of patient deterioration in acute care and Ailert™ which alerts clinicians critical pathology results in real-time.

The ADI solution is now operational in two hospitals in Australia with pilot programs ongoing in three other hospitals. Recently, an offline analysis of 50,000 patients demonstrated the superior value of the tool in comparison to existing standard early warning tools in predicting deterioration of patients up to 24 hours before acute deterioration occurs.

The solution is also being assessed with an international customer base with impressive results to date.

We are continuing to develop the product with the aim of converting the pilot programs to full subscription customers by the end of the financial year in order to provide sufficient reference sites to promote more widely in FY24.

Coding Assistance and Data Quality (“Coding”) *(Products sold to Hospital customers such as PICQ, RISQ and coding applications)*

Revenue growth across our Coding segment grew by 11% in Q1 with strong renewals and price growth across our two core data quality products, PICQ® and RISQ™.

The sales pipeline for this segment is the largest across the company, with large opportunities in the Middle East and Asia for PICQ® which we aim to implement in 2023. These opportunities are ongoing and involve the significant development of Country Health Information Systems and are testament to Beamtree’s credentials in the conversion of health data to knowledge.

Analytics & Knowledge Networks (“Analytics”) *(Health Roundtable analytics and advisory)*

Analytics represents the activities that were acquired last year as part of the acquisition of Potential(x) in October 2021. Revenue growth in Q1 for Analytics was +10% on a like for like basis, driven by a strong renewal and growth rate in the Health Roundtable activities and also strong growth in our wellbeing program sales.

Outlook Re-affirmed with Strong Operating Momentum across all Four Segments

Overall, Beamtree continues to deliver solid revenue growth with organic growth of 22% in Q1 whilst carefully managing its cost base. The sales pipeline, particularly for international sales of our core products (RippleDown®, ADI and PICQ®), remain very strong with the company focused on securing some of these new customers in FY23 as well as continuing to develop its core product offering.

-ENDS-

Authorised for release by the Chairman of the Board.

For further information, please email investor@beamtree.com.au

About Beamtree

Beamtree (formerly PKS Holdings) is a leading provider of decision support and data insights solutions, Beamtree supports healthcare providers globally. They believe in creating a better future for health by turning data into insights and action through automation.

- **Diagnostic Technology:** Enabling the effective delivery of diagnostic services as they underpin the future of health and personalised medicine.
- **Clinical Decision Support:** Combining human and artificial expertise together to enhance decisions that improve care, value and experience.
- **Coding Assistance and Data Quality:** Digitising and automating workflows with data, classification, coding & technical expertise to improve information standardisation, quality and timeliness.
- **Analytics and Knowledge Networks:** Combining data analytics solutions with peer-to-peer alliances that accelerate innovation and knowledge diffusion.