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Beamtree[®]

1H FY23 Annual Results

15th February, 2023



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1H FY23 Highlights

1H FY23 Financial Highlights

↑ **20%**
PCP*



Annual recurring
Revenue

\$20.1M

↑ **47%**
PCP



Reported
Revenue

\$10.5M

*98% recurring
revenue vs 87% in
1H FY22*

↑ **55%**
PCP



International
Revenue

\$3.2M

↑ **37%**
PCP



Operating Profit

\$(0.9)M

*1H FY23 operating loss
of \$0.9m vs 1H FY22
loss of \$1.4m and 2H
FY22 loss of \$2.6m*



Cash

\$5.4M

*+\$3.6m improvement
in net cash outflow
1H FY23 vs. 1H FY22***

* Prior Corresponding Period "PCP"

** +\$3.6m improvement in net cash outflow excludes acquisition payment in 1H FY22

1H FY23 Key Strategic Highlights



Diagnostic Technology

Renewal of RippleDown® product distribution contract with Abbott Laboratories for a minimum of 3 years with improved pricing for Beamtree and enhanced focus within Abbott on the RippleDown® product.



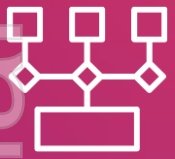
Analytics & Knowledge Networks

Revised contract term with our largest client, Health Roundtable, securing a new 8 year term and \$1m additional revenue to develop a modern data platform to support enhanced member services.



Coding Assistance & Data Quality

Strategic partnership in the Kingdom of Saudi Arabia with Lean Business Solutions, a government-owned company dedicated to e-health innovation in Saudi Arabia. The objective of the partnership is to identify opportunities to deploy Beamtree products in Saudi Arabia to enhance patient care.



Clinical Decision Support (Ainsoff AI)

In January 2023, Beamtree signed a memorandum of understanding with Milton Keynes University Hospital (MKUH) of the UK to create a centre of excellence that will trial Beamtree's AI products and promote where they believe these will make a significant impact in automation and patient care.



Annual recurring revenue growth of 20% across the product portfolio with each segment delivering double digit revenue growth with material opportunities to accelerate the growth, despite the long lead time in healthcare.

FY23 Outlook



Management reaffirms long term outlook of delivering annual recurring revenue of \$60m by 2026.



FY23 organic recurring revenue growth forecast to be ~20% consistent with 1H trading.



Forecast to deliver several strategic international projects in 2H to accelerate growth going into FY24.



Continued focus on cost management with organic (like for like) cost growth estimated to be less than 10%.

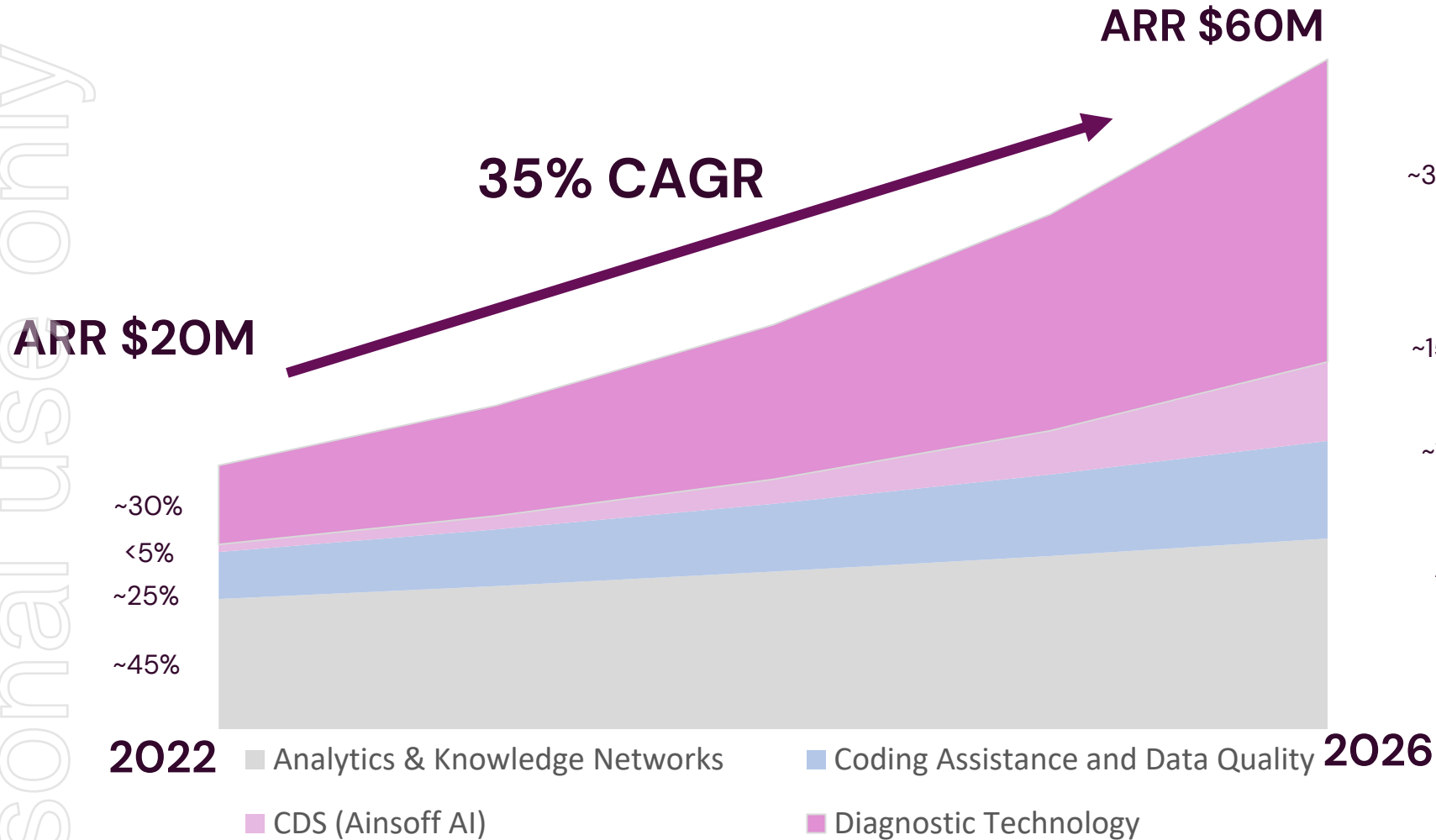


Continued improvement in operating profit in 2H FY23.

Long Term Outlook – No change

Main Drivers of Growth:

~70% of the growth will come from overseas market



Abbott (3+2 year) contract with revenue share

International direct RippleDown® sales

Sales of CDS (Ainsoff AI) products both in ANZ and Internationally

International expansion of coding products into new markets

New HRT 8 year contract signed with investment in data analytics platform

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Beamtree Strategy



Beamtree[®]

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



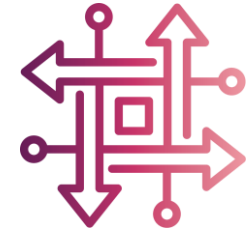
25+ years of experience



Australian company with
Australian IP



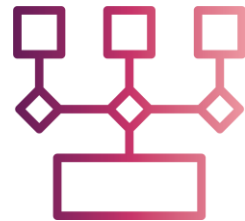
Supporting healthcare
globally



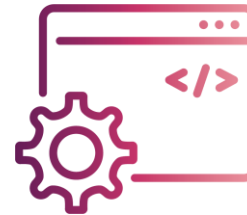
Cutting-edge use of AI
and machine learning



Diagnostic Technology
leaders



Clinical Decision Support
in acute care



Coding Assistance &
Data Quality



Analytics & Knowledge
Networks

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Beamtree's History

Pacific Knowledge Systems
Est. 1999 - Listed 2019

RippleDown™
Auditor

RippleDown™
Expert

Diagnostic Technology

Coding Assistance and Data Quality

Pavilion Health
Est. 2005 - Acq. 2020

Picq™ Risq™

Beamtree®

Clinical Decision Support

Analytics & Knowledge Networks

Potential(x)
Est. 2005 - Acq. 2021

Ainsoff
Est. 2018 - Acq. 2021

Ainsoff™
Defragmentation Index

Aiscribe™
Assisted Documentation

Ailert™
Critical Results



Activity BarCoding™

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Supporting Healthcare Providers Globally

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



6
Continents



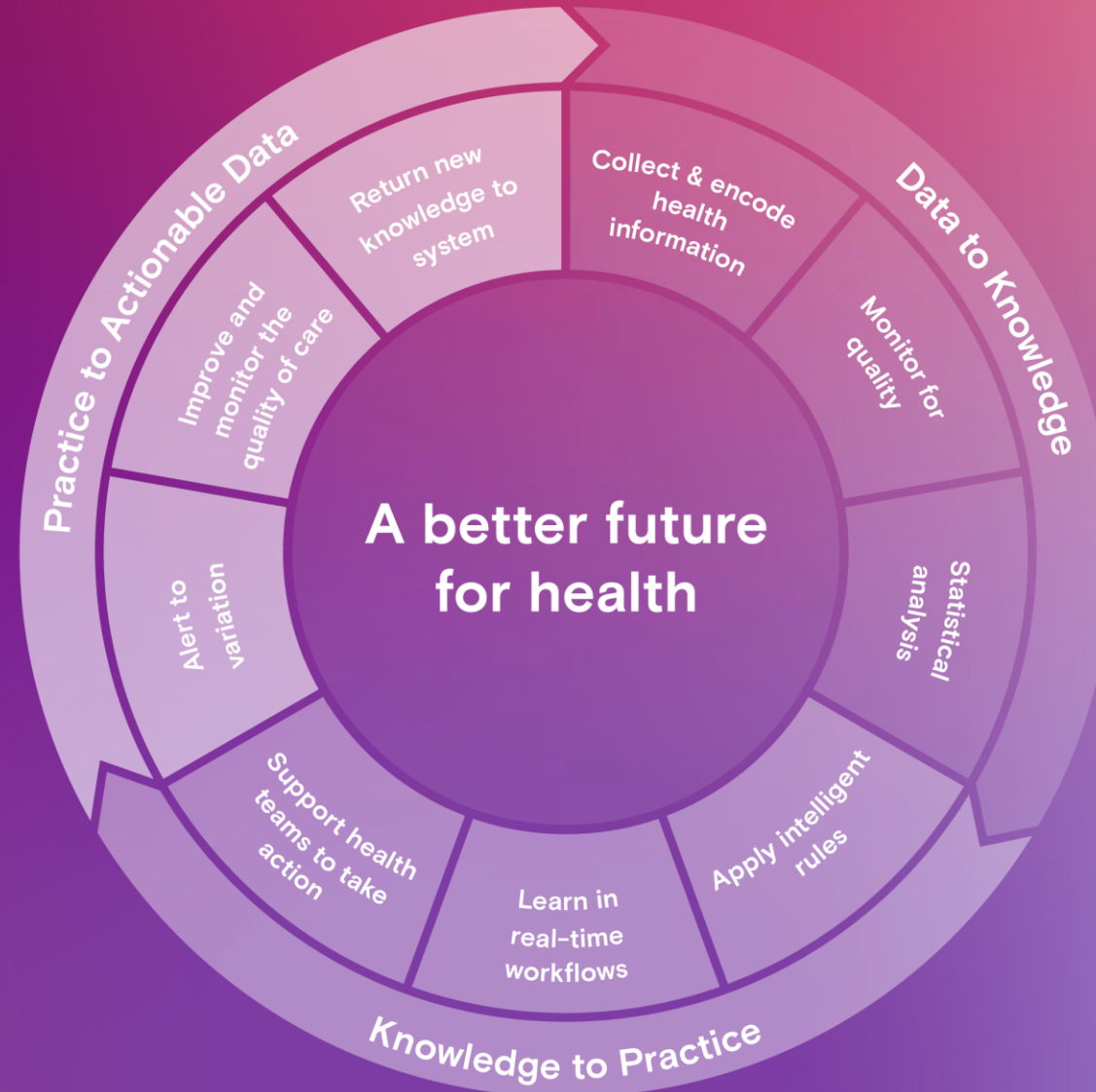
25
Countries



1100+
Locations

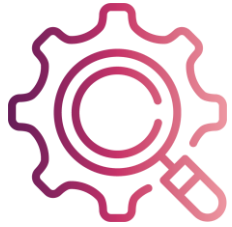
Learning Health Systems

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



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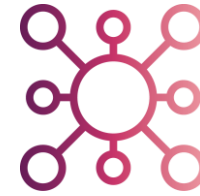
The Problems We Help Solve



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

Our product segments

Diagnostic Technology

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



RippleDown™
Auditor

RippleDown™
Expert

Coding Assistance and Data Quality

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



Picq™

Risq™

Activity BarCoding™

CodeXpert™

Clinical Decision Support

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



Ainsoff™
Deterioration Index

Aiscribe™
Assisted Documentation

Ailert™
Critical Results

Analytics & Knowledge Networks

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








Global Health™
Comparators

Knowledge Networks
(with Health Roundtable, Ability Roundtable)

WorkForce Wellbeing
Collaborative Program

Key Areas, Key Products and What They Do

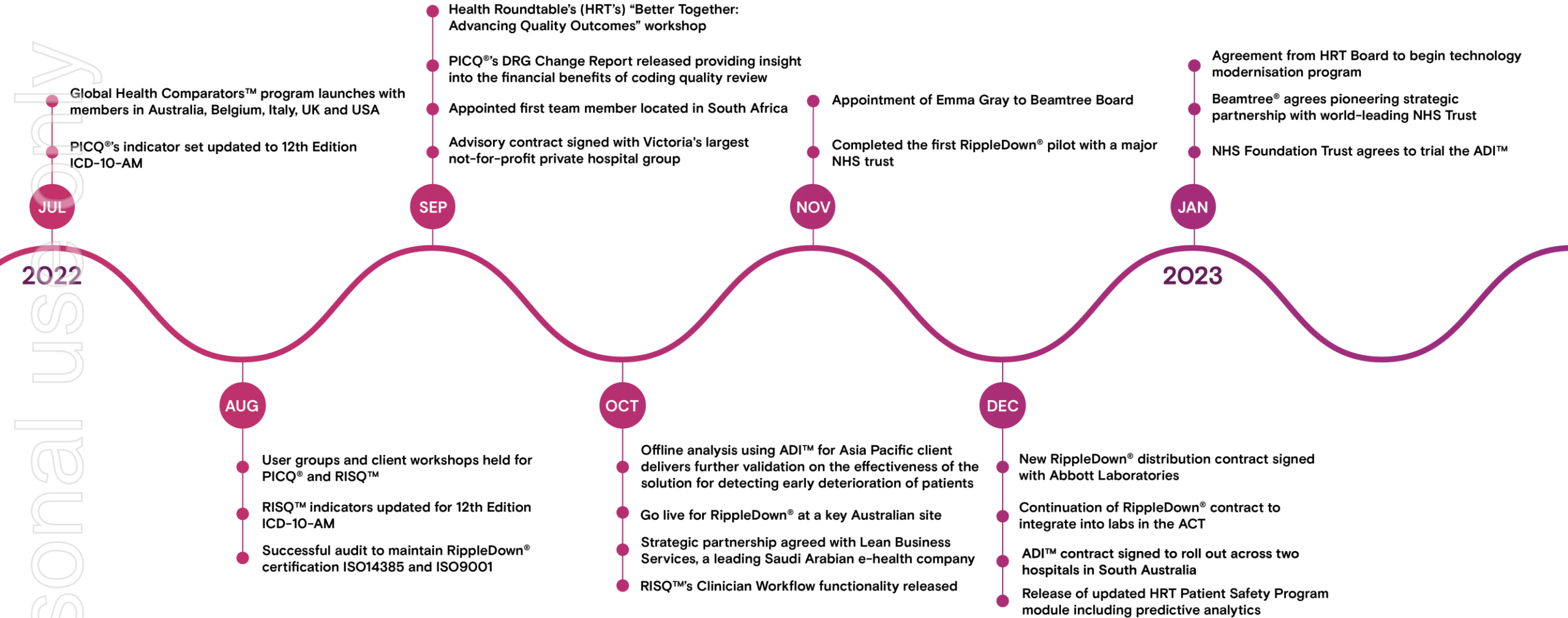
Product/ Solutions Application Problem Solved ROI Pricing/Scale

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

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1H Operational Highlights

Highlights of 1H FY23








Key Operational Highlights

Product/ Solutions

1H Operational Highlights

Going Forward

Product/ Solutions	1H Operational Highlights	Going Forward
 <p>Diagnostic Technology</p>	<p>RippleDown[™] Expert</p> <ul style="list-style-type: none"> Signed new distribution contract with Abbott Laboratories and issued 9 new licences in the first half Continued implementation of RippleDown[®] into large pathology provider in South Africa 	<ul style="list-style-type: none"> ~30% of FY22 revenue Focus on international expansion Largest growth area going forward
	<p>RippleDown[™] Auditor</p> <ul style="list-style-type: none"> Implemented RippleDown Expert[™] into Western Diagnostics, part of Healius Completed pilot of RippleDown Expert[™] in UK NHS trust. Results support full commercial implementation. 	
 <p>Coding Assistance and Data Quality</p>	<p>Picq[®]</p> <ul style="list-style-type: none"> Progressed work on expanding international presence of our coding offering including partnership with Lean Business Services in Saudi Arabia Updated key coding products to reflect 12th edition of coding classification 	<ul style="list-style-type: none"> ~25% of FY22 revenue New product investment in FY22 & 1H FY23 expected to support growth in the future
	<p>Risq[™]</p> <ul style="list-style-type: none"> Renewals +95% Completed first coding audit in the UK 	
 <p>Clinical Decision Support (CDS)</p>	<p>Ainsoff[™] Deterioration Index</p> <ul style="list-style-type: none"> First contract for ADI in two public hospitals in Australia Ongoing pilots in a number of hospitals internationally 	<ul style="list-style-type: none"> <5% of FY22 revenue CDS expected to go to market in 2H FY23 Contribution from CDS expected to increase in FY24
	<p>Ailert[™] Critical Results</p> <ul style="list-style-type: none"> Offline analysis of +50,000 patient data in Asia Pacific client delivered strong validation of the early prediction sensitivity of ADI New version of the ADI product to be launched in 2H FY23 	
 <p>Analytics & Knowledge Networks</p>	<p>Together with</p>  <ul style="list-style-type: none"> Revised contract terms with Beamtree's largest customer, Health Roundtable which secured a new 8 year term. Awarded \$1m to modernise data platform for Health Roundtable Signed up 7 inaugural Global Health Comparators our new international benchmarking and collaboration program. 	<ul style="list-style-type: none"> ~45% of FY22 revenue Focus on data platform modernization and leveraging to enhance analytics

1H FY23 Strategic Partnerships

Abbott

- Signed Dec 2022, 3 year contract with 2 x1 year extension options
- Global distribution contract, direct sales by Beamtree still permitted
- Abbott to re brand product as “Powered by RippleDown®”
- Abbott to sell and implement to small laboratories with minimal Beamtree involvement
- Larger customers to be approached jointly with economics being shared (60% /40% or 40%/60% for ANZ)

RippleDown®

Health Roundtable

- Revised contract terms agreed in January 2023
- Mid contract termination option removed to deliver a new 8 year contract term
- \$1m additional revenue to Beamtree to deliver a modern data platform to enhance member services



1H FY23 Strategic Partnerships

Lean (Kingdom of Saudi Arabia)

- Signed partnership agreement Oct 2022
- Parties to work together to deliver automation and better data quality to hospitals in Saudi.
- Lean to support sale of Beamtree products in Saudi
- First customer contract under partnership expected in 2H FY23

RippleDown®

Picq®

Ainsoff™
Deterioration Index

Milton Keynes (UK)

- Signed in January 2023
- Agreement to form a first-in-kind centre of excellence to promote AI and automation in the NHS
- Milton Keynes University Hospital (MKUH) to evaluate Beamtree's Ainsoff Deterioration Index and its applicability in an NHS setting
- MKUH to promote and distribute Beamtree's pioneering products that they identify will make a significant contribution to NHS challenge

RippleDown®

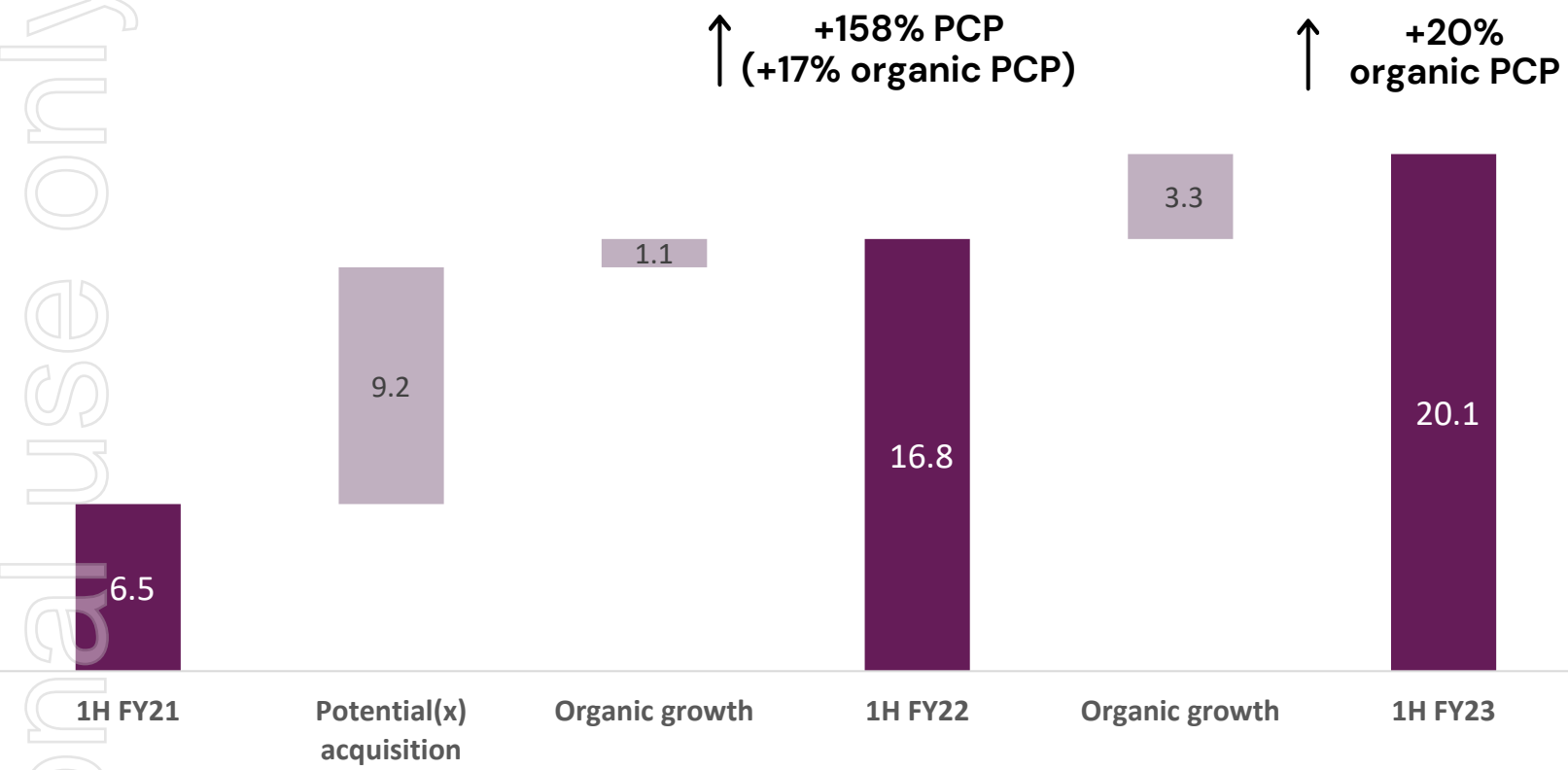
Picq®

Ainsoff™
Deterioration Index

1H FY23 Financial Results

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

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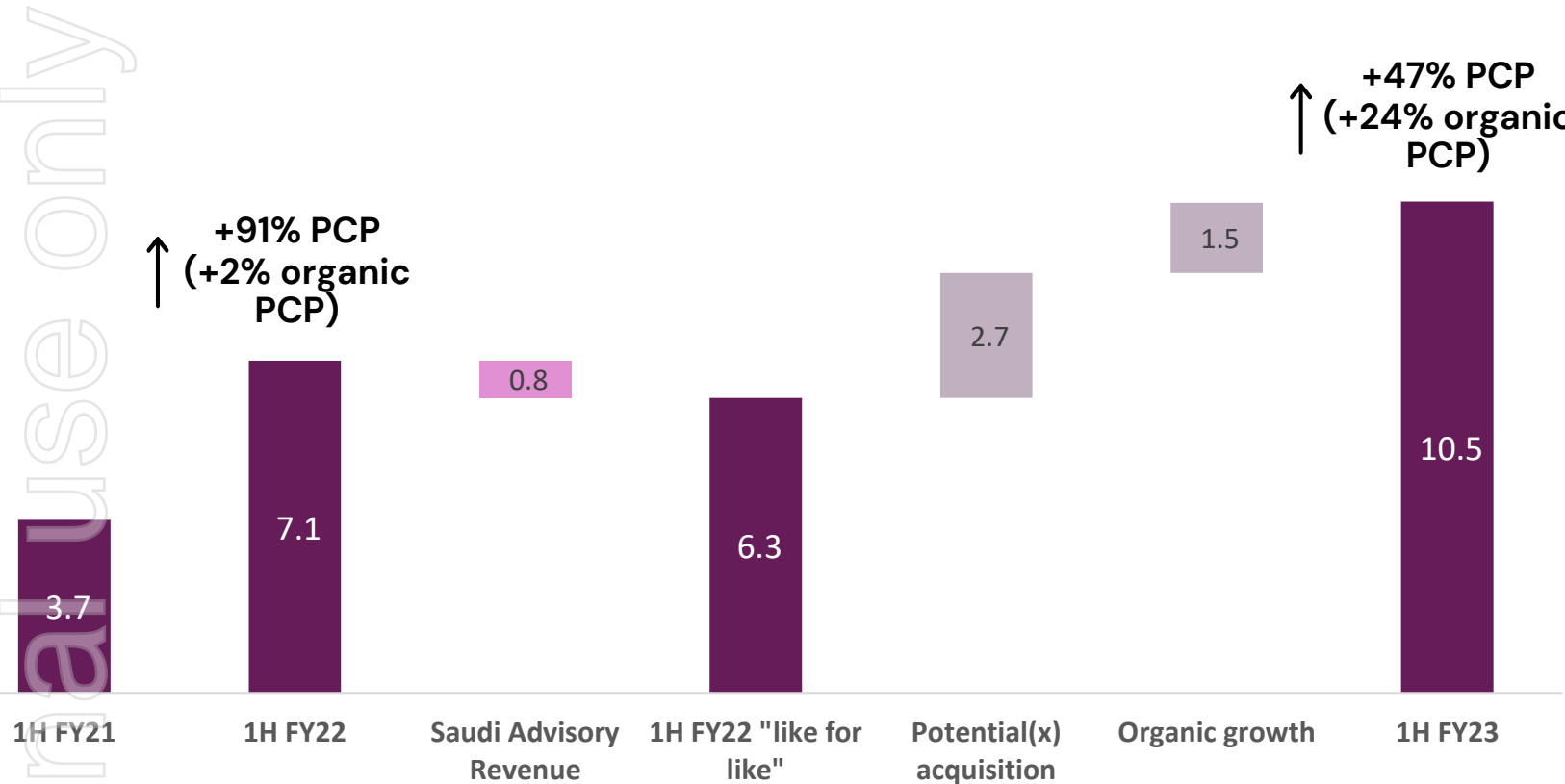


- +20% PCP organic growth in Annual Recurring Revenue (ARR) largely driven by international growth.
- Almost 60% of organic ARR growth was driven by our Diagnostics segment with the remaining growth across our other 3 segments.

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

Prior Corresponding Period "PCP"

1H Reported Revenue Growth (\$'M)



Comments

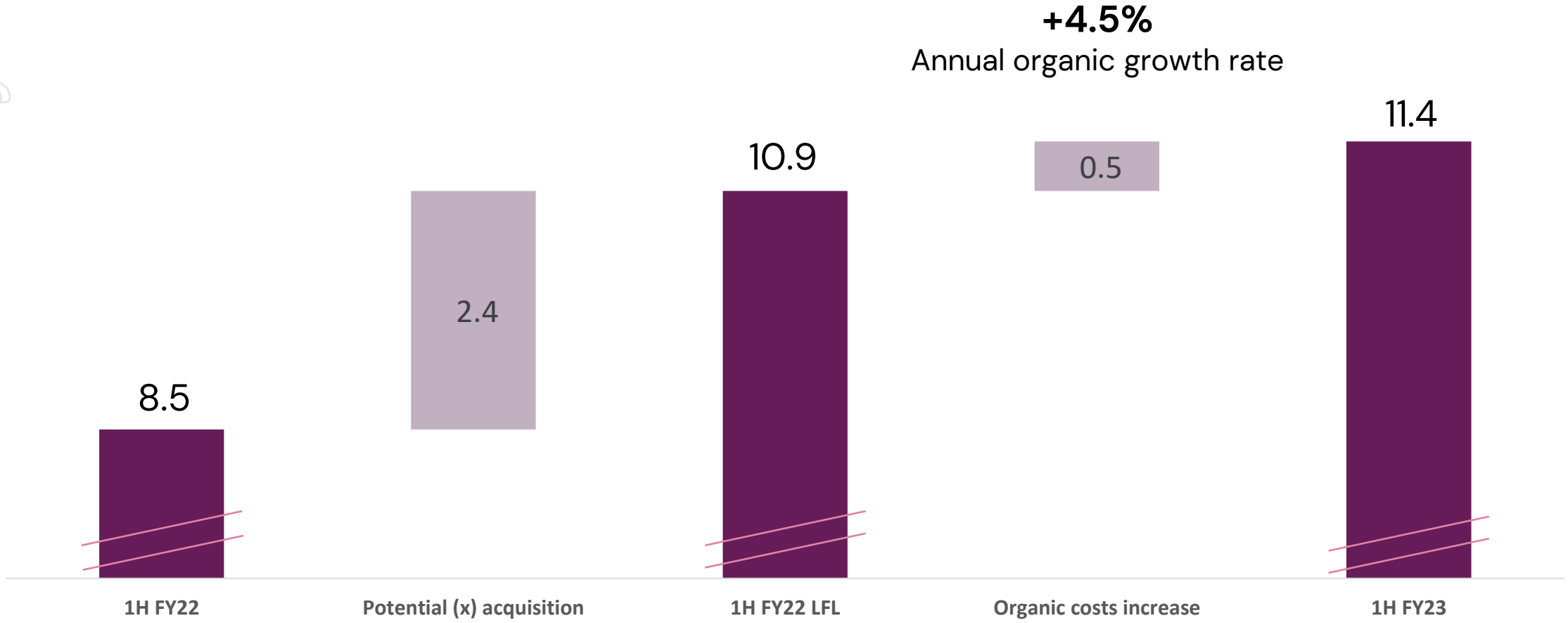
- +47% PCP growth in Reported revenue in 1H FY23 has been driven by \$2.7m from Knowledge Networks (Potential(x) acquisition) and \$1.5m organic revenue growth. All of this organic revenue growth is recurring revenue. 1H FY22 includes \$0.8m of one off consulting revenue in Saudi Arabia.
- Excluding the one off Saudi advisory income and impact from Potential(x) acquisition in Oct 2021, 1H FY23 growth was 24% with a major contribution from Diagnostics' contract wins.

*Organic growth excludes Potential (x) acquisition impact. Potential (x) acquisition was completed on 1st Oct 2022

1H FY22 "like for like" excludes one off Saudi advisory revenue in 1H FY22

Prior Corresponding Period "PCP"

1H Operating Expenses & Investments (\$'M)



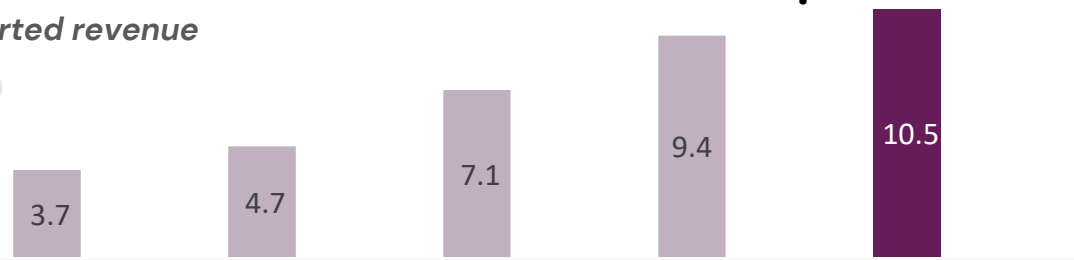
\$2.9m operating expenses increase has been mainly driven by acquisition impact from Potential(x) in Oct 2021 (3 months costs in 1H FY22 vs. 6 months costs in 1H FY23)
 FTEs (full time equivalent employees) are ~90 as end of December 2022 vs. ~100 as end of June 2022

Prior Corresponding Period "PCP"

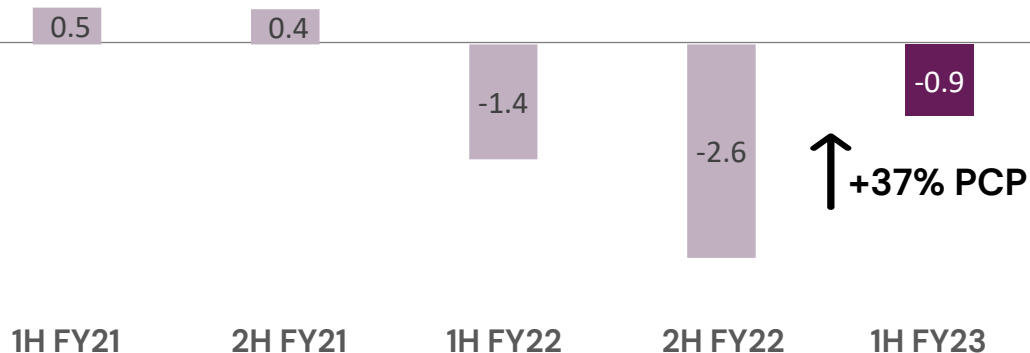
Revenue & Operating Profit Trend and EBITDA

Reported revenue and operating profit (\$M)

Reported revenue



Operating profit



Operating Profit to reported EBITDA (\$M)

	1H FY21	1H FY22	1H FY23
Operating Profit	0.5	(1.4)	(0.9)
Non operating expenses (cash)			
Transaction cost	0.0	(0.1)	0.0
Impact of AASB 16	0.2	0.2	0.2
Other income	0.3	0.1	0.0
Redundancies	0.0	0.0	(0.2)
Total Non operating expenses (cash)	0.4	0.2	(0.0)
	0.9	(1.2)	(0.9)
Non operating expenses (non cash)			
FX (Loss) / Gain	(0.2)	(0.0)	(0.2)
Share based payment related	(0.3)	(0.1)	(0.5)
Fair value adj. - deferred shares*	0.0	0.3	(0.6)
Total Non operating expenses (non cash)	(0.5)	0.2	(1.2)
EBITDA	0.5	(1.0)	(2.1)

37% improvement in operating losses has been mainly driven by combination of \$3.4m revenue growth and \$2.9m operating expense increase.

*Fair value adjustment for deferred shares is related to Potential(x) acquisition based on share price movement at the end each period, which is a non cash item.

1H Summary Profit and Loss

P&L (\$M)	1H FY23 Actual	1H FY22 Actual	Change 1H FY23 - 1H FY22
Revenue	10.5	7.1	47%
<i>Annual recurring revenue (ARR)</i>	20.1	16.8	20%
Expenses – staff	(8.0)	(5.7)	39%
Expenses – non staff	(3.4)	(2.8)	21%
Total operating expenses	(11.4)	(8.5)	33%
Operating (loss)/ profit	(0.9)	(1.4)	37%
Reported EBITDA	(2.1)	(1.0)	(107%)
Depreciation & amortisation and finance costs	(2.4)	(1.4)	
Loss before tax	(4.5)	(2.4)	(92%)
Tax benefit / (expense)	0.4	0.5	
NPAT	(4.1)	(1.9)	(121%)
Basic EPS (cents)	(1.7)	(0.8)	(114%)

Organic
Growth %

+20%

+4.5%

+20%

Highlights

Group Revenue

47%

ARR

20%

Operating Profit

37%

Operating expenses increase of 33% has been mainly driven by acquisition impact from Potential (x) in Oct 2021 (3 months costs in 1H FY22 vs. 6 months costs in 1H FY23). Exclude acquisition impact, organic expenses increase year on year was 4.5%.

1H Cashflow

CONSOLIDATED GROUP (\$M)	1H FY23 Actual	1H FY22 Actual
CASHFLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	13.4	6.6
Payments to suppliers and employees	(12.9)	(8.9)
<u>Other receipts/(paid)</u>	<u>0.0</u>	<u>0.0</u>
Net cash provided by operating activities	0.5	(2.2)
CASHFLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of business, net of cash acquired	0.0	(2.7)
Payments for property, plant and equipment	(0.0)	(0.0)
Payments for intangibles	(1.2)	(2.2)
Net cash provided by investing activities	(1.3)	(4.9)
CASHFLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares, net of transaction costs	0.0	0.2
<u>Repayment of lease liabilities</u>	<u>(0.2)</u>	<u>(0.2)</u>
Net cash provided by financing activities	(0.2)	(0.0)
Net increase/decrease in cash held	(0.9)	(7.1)
<u>Opening Cash Balance</u>	<u>6.3</u>	<u>14.1</u>
Cash and cash equivalents at end of period	5.4	7.0
	1H FY23	1H FY22
	Actual	Actual
Net cash exclude acquisitions		
Net cash provided by operating activities	0.5	(2.2)
Net cash provided by investing activities (exclude acquisitions)	(1.3)	(2.2)
<u>Net cash provided by financing activities</u>	<u>(0.2)</u>	<u>(0.2)</u>
Net cash exclude acquisitions	(1.0)	(4.6)

1H FY23 Comments

\$0.5M

Operating net cash positive

+\$3.6M

Net cash excl acquisition improvement
1H FY23 vs. 1H FY22

\$5.4M

Cash balance

Executive Summary 1H FY23 Highlights

Annual recurring
Revenue



\$20.1M

↑ **20%**
PCP*

1H Operating
profit



\$(0.9)M

↑ **+0.5M**
PCP

1H Reported
Revenue



\$10.5M

↑ **47%**
PCP

1H Positive
operating cash flow



+\$0.5M

1H International
Revenue



\$3.2M

↑ **55%**
PCP

1H Net cash
improvement
vs. 1H FY22 excl
acquisition



+\$3.6M

*Prior Corresponding Period "PCP"

Thank you

Appendices



Balance Sheet

	1H FY23	1H FY22	
CONSOLIDATED GROUP (\$M)	Actual	Actual	
Current assets			
Cash & cash equivalents	5.4	7.0	Comments
Trade & other receivables	5.0	5.2	
Contracts	<u>0.0</u>	<u>0.5</u>	
Total current assets	10.4	12.7	
			\$5.4m cash balance
Non current assets			
Property plant & equipment	0.3	0.7	
Right of use assets (property leases)	0.4	0.8	
Intangibles	46.6	48.4	
Deferred Tax assets	<u>2.3</u>	<u>1.7</u>	
Total non current assets	49.6	51.6	
			1H FY23 operating cash positive
Current Liabilities			
Trade & other payables	4.7	2.1	
Contract liabilities	2.5	1.9	
Employee benefits	1.1	1.1	
Deferred considerations – shares	3.9	0.0	
Other liabilities	<u>0.3</u>	<u>0.5</u>	
Total current liabilities	12.5	5.9	
			\$3.9m deferred consideration is equity, not cash and expected in FY24
Non current liabilities			
Deferred consideration	0.0	5.5	
Deferred tax liabilities	1.7	0.6	
Investment bond payable	0.5	0.5	
Other non current liabilities	<u>0.2</u>	<u>0.2</u>	
Total non current liabilities	2.4	7.4	
Net Assets	45.0	51.0	