

ersonal use only

**Beamtree**<sup>®</sup>

**1H FY24 Results**

14<sup>th</sup> February 2024



# Important Notice and Disclaimer

The material in this presentation is general background information about Beamtree Holdings Limited (ASX:BMT) and is current at the date of the presentation, 14<sup>th</sup> February 2024.

This presentation may contain statements that are, or may be deemed to be, forward looking statements. Such statements can generally be identified by the use of words such as “believe”, “estimate”, “plan”, “target”, “project”, “anticipate”, “expect”, “intend”, “likely”, “may”, “will”, “could” or “should” and similar expressions. Indications of strategy, plans, objectives, targets, goals, future events or intentions are also forward-looking statements.

You should not place undue reliance on such forward-looking statements. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of BMT or any of its related entities which may cause actual results to differ materially from those expressed or implied in such statements.

No representation or warranty, express or implied, is made as to the accuracy, reliability, adequacy or completeness of the information contained in this presentation. Past performance information in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

The information in the presentation is given for informational purposes only, is in summary form and does not purport to be complete. It is intended to be read by a professional analyst audience in conjunction with BMT’s other announcements to ASX. It is not intended to be relied upon as advice to current shareholders, investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular shareholder or investor. No representation is made as to the accuracy, completeness or reliability of the presentation.

The views expressed in this presentation may contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty, express or implied, is made as to the accuracy, reliability, adequacy or completeness of the information. Market share information is based on management estimates except where explicitly identified.

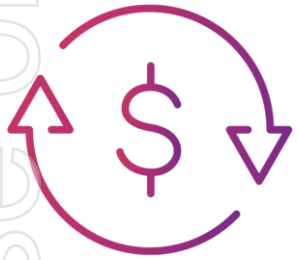
To the maximum extent permitted by law, BMT and any person involved in the preparation of this presentation disclaim all liability and responsibility (including without limitation, any liability arising from fault or negligence) for any direct or indirect loss or damage which may arise or be suffered through use or reliance on anything contained in, or omitted from, this presentation.

BMT is not obliged to, and does not represent that it will, update the presentation for future developments. All currency figures are in Australian dollars unless otherwise stated. Totals may not add up precisely due to rounding.

# 1H FY24 Highlights

# 1H FY24 Financial Highlights

↑ **20%**  
PCP



Annual Recurring  
Revenue

**\$24.2M**

1H FY23:

**\$20.1M**

↑ **23%**  
PCP



Reported  
Revenue

**\$13.0M**

**\$10.5M**

↑ **45%**  
PCP



International  
Revenue

**\$4.7M**

**\$3.2M**

↑ **38%**  
PCP



Operating Profit

**\$(0.5)M**

**\$(0.9)M**

\*Cash excludes  
+\$1.0M due from  
international  
customer



Cash

**\$5.1M\***

**\$5.4M**

# 1HFY24 Divisional Highlights

## Diagnostic Technology:

**Indirect Sales:** via partnership with Abbott Laboratories Inc.

- 3 new tier 1 licences (Greece, Mexico and Italy) issued during the period.
- Second revenue sharing co-sale licence confirmed, in Australia with St. Vincent's Hospital Melbourne.
- Abbott sales pipeline continues to grow.

### Direct Sales:

- Implementation of RippleDown in Coventry & Warwickshire NHS Trust, post pilot, providing a strong reference site in the UK. Additional UK sites planned for 2H FY24.
- Supported the largest implementation of RippleDown to date in South Africa with 44 knowledge bases established to drive automation.
- Pipeline growing in core markets (ANZ, UK, Canada, Europe) with several paid for offline analysis planned for 2H FY24.

RippleDown™  
Expert

RippleDown™  
Auditor

## Clinical Decision Support:

**Continued building of evidence to support Beamtree's AI in transforming patient safety**

- UK offline analysis of clinical data using our Ainsoff Deterioration Index™ (ADI) provided further evidence of the better predictive capability at 24 hours in advance of deterioration versus other systems' prediction indicators 4 hours in advance.

### Sales momentum:

- Australia – ADI technology implemented in South Australia and New South Wales. Both hospitals renewed their ADI contracts.
- Gold Coast Hospital and Health Service have signed a 12-month contract to trial ADI with the intention to act for a reference site for the rest of Queensland.
- Asia Pacific – contract to install in major hospital in Hong Kong for a 12-month detailed trial now agreed. If successful ADI will be rolled out to a further 18 hospitals, subject to agreeing commercials.
- United Kingdom – ADI is now being implemented in four leading NHS hospitals for 12-month trial projects.

Ainsoff™  
Deterioration Index



# 1H FY24 Divisional Highlights

## Coding Assistance and Data Quality

- Implemented +20% price uplift in ANZ market. Minimal customer churn experienced.
- Announced extension of strategic partnership with Lean in Saudi Arabia for the development of an integrated coding platform combining both parties' existing technologies. This new coding platform will be launched in Saudi in 2024 and into other international markets in FY25.
- Completed a \$1m health information management strategy advisory contract in Saudi alongside our partner Lean.
- Renewed our national contract for PICQ in the Republic of Ireland.
- In procurement stage for two national agency implementations of PICQ in the Middle East (following completion of audits).
- Work continuing in British Columbia for the audit of coding data using PICQ for 14 hospitals.
- Three Integrated Care Boards in England have signed up for the audit of coding data using PICQ in 2024.

Picq®

Risq™

## Analytics and Knowledge Networks

### Sales momentum

- +97% renewal rates in latest subscription activity prior to implementation of new data platform.
- Significant work ongoing on building the new data platform and enhancing the existing analytics offering for customers to leverage the data received from 230 hospitals across ANZ.
- New data platform expected to be leveraged into adjacent markets including the Ability Roundtable and international markets.



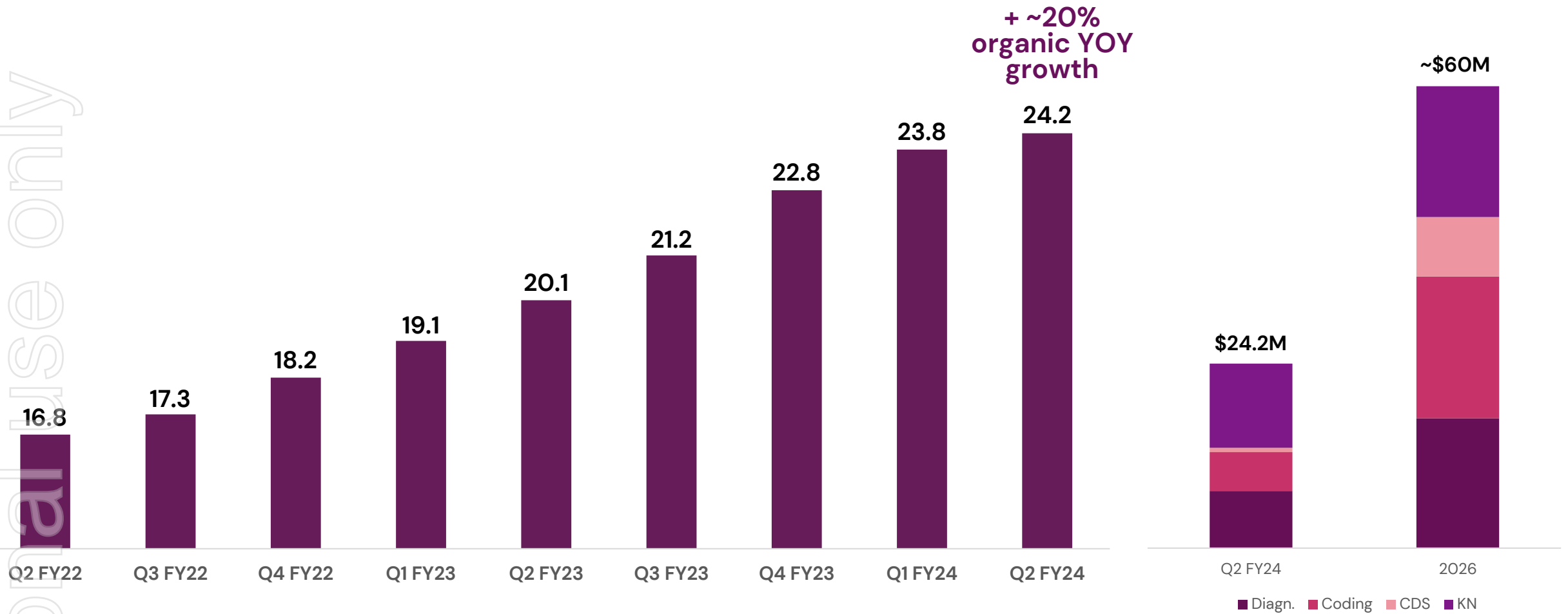
 HEALTH  
ROUNDTABLE

the  
ability  
roundtable

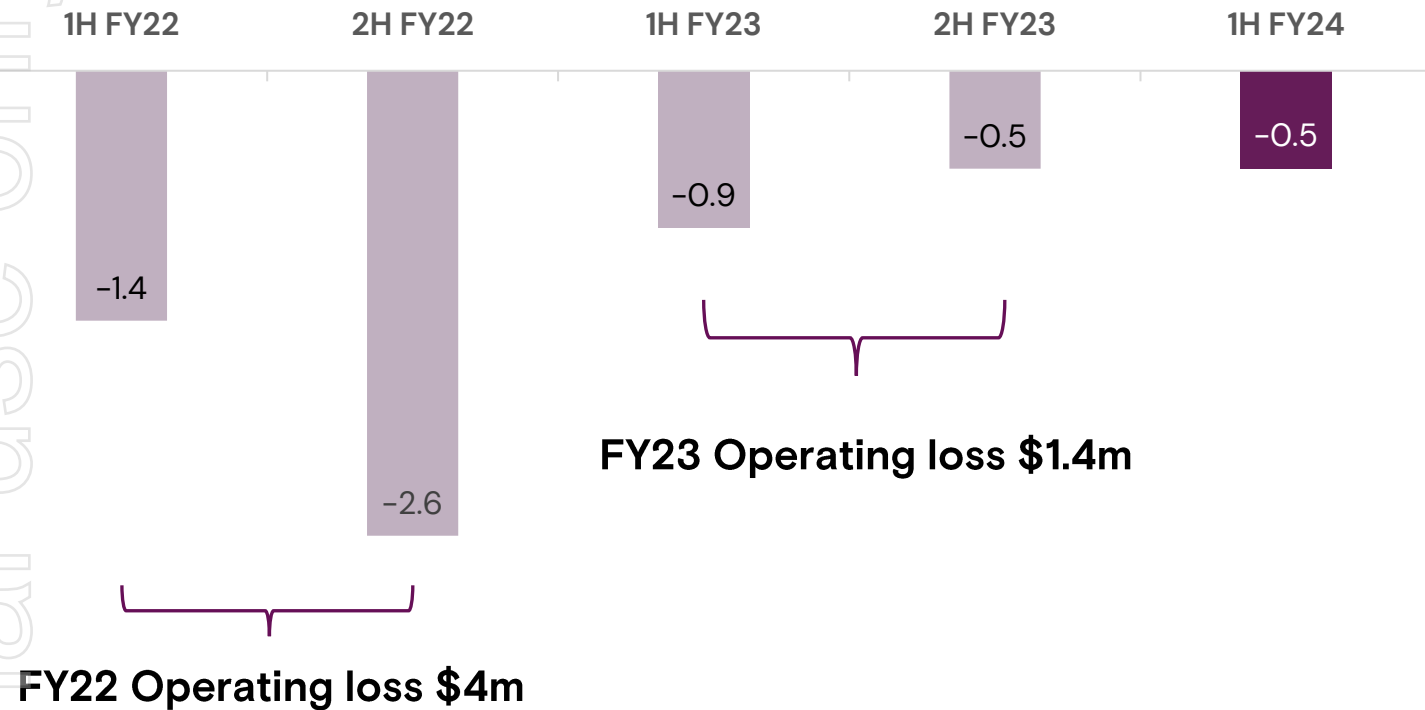
Workforce Wellbeing  
Collaborative Program

# Annual Recurring Revenue\* (ARR) (\$'M) Trend

Personal use only



# Continued Improvement in Profitability

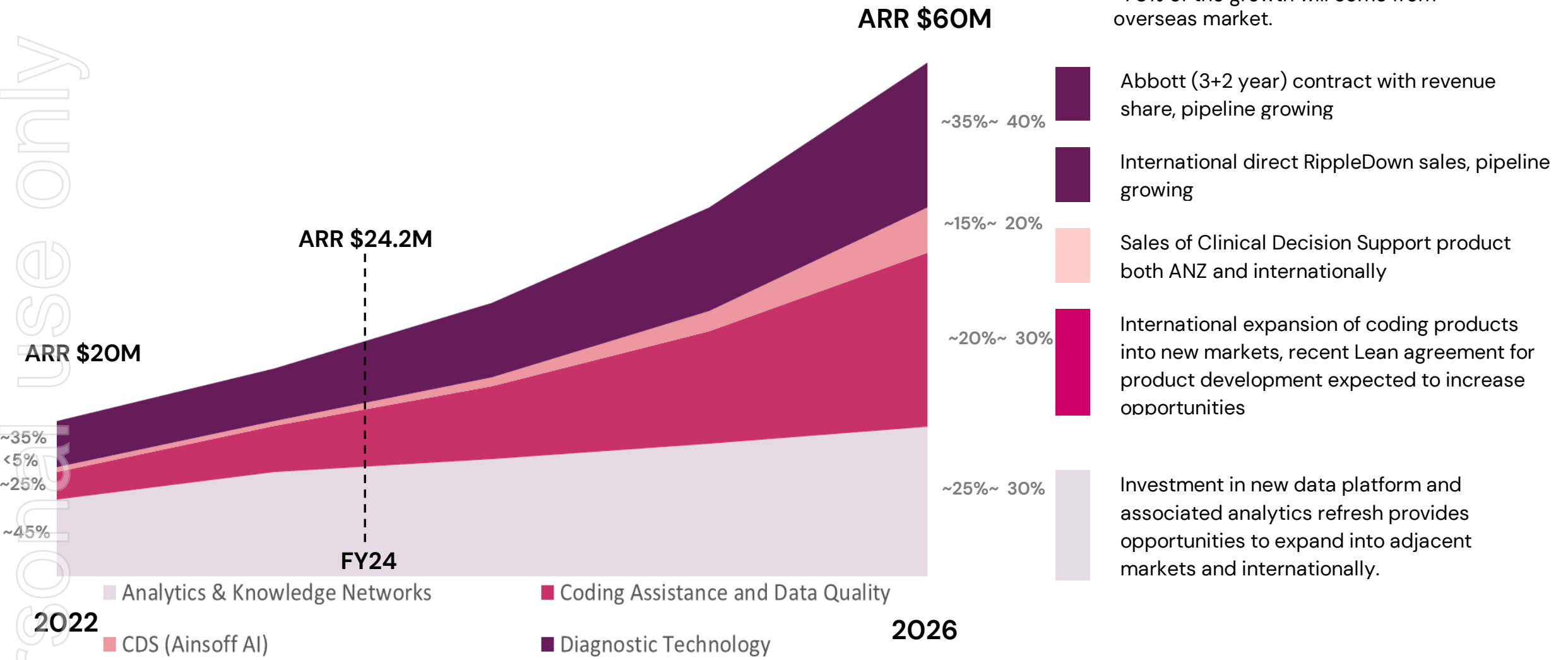


- 1H FY24 delivered a similar results vs 2H FY24 while increasing the investment in international expansion.
- Ongoing investments in 1H FY24 include:
  - International business development including appointment of Chief Growth Officer (~\$1.5m)
  - ADI product and business development(~\$1m)
  - Cyber security upgrade (~\$0.3m)
  - Data platform upgrade (capital, \$1m)
  - Other (e.g. USydney, Auto coding)



# Long Term Horizon – No Change on Long Term Opportunity

**Main Drivers of Growth:**  
 - Customer retention and upselling  
 ~70% of the growth will come from overseas market.



Internal Use Only

# FY24 Outlook – No Change



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



Targeting FY24 organic revenue growth of +20%



Continued focus on cost management with cost growth % targeted to be lower than revenue growth %



Beamtree is on target to deliver a positive operating profit in FY24

## Divisional Growth

**Diagnostic Technology:** Capitalise sales momentum on direct and indirect (Abbott) pipeline

**Clinical Decision Support:** Expand ANZ footprint and focus on sales momentum in international markets

**Coding Assistance & Data Quality:** Additional data quality audits leading to significant product sales – international markets

**Analytics & Knowledge Networks:** Upgrade data platform infrastructure and related services to drive growth

ersonal use only

# Beamtree Strategy



Beamtree<sup>®</sup>

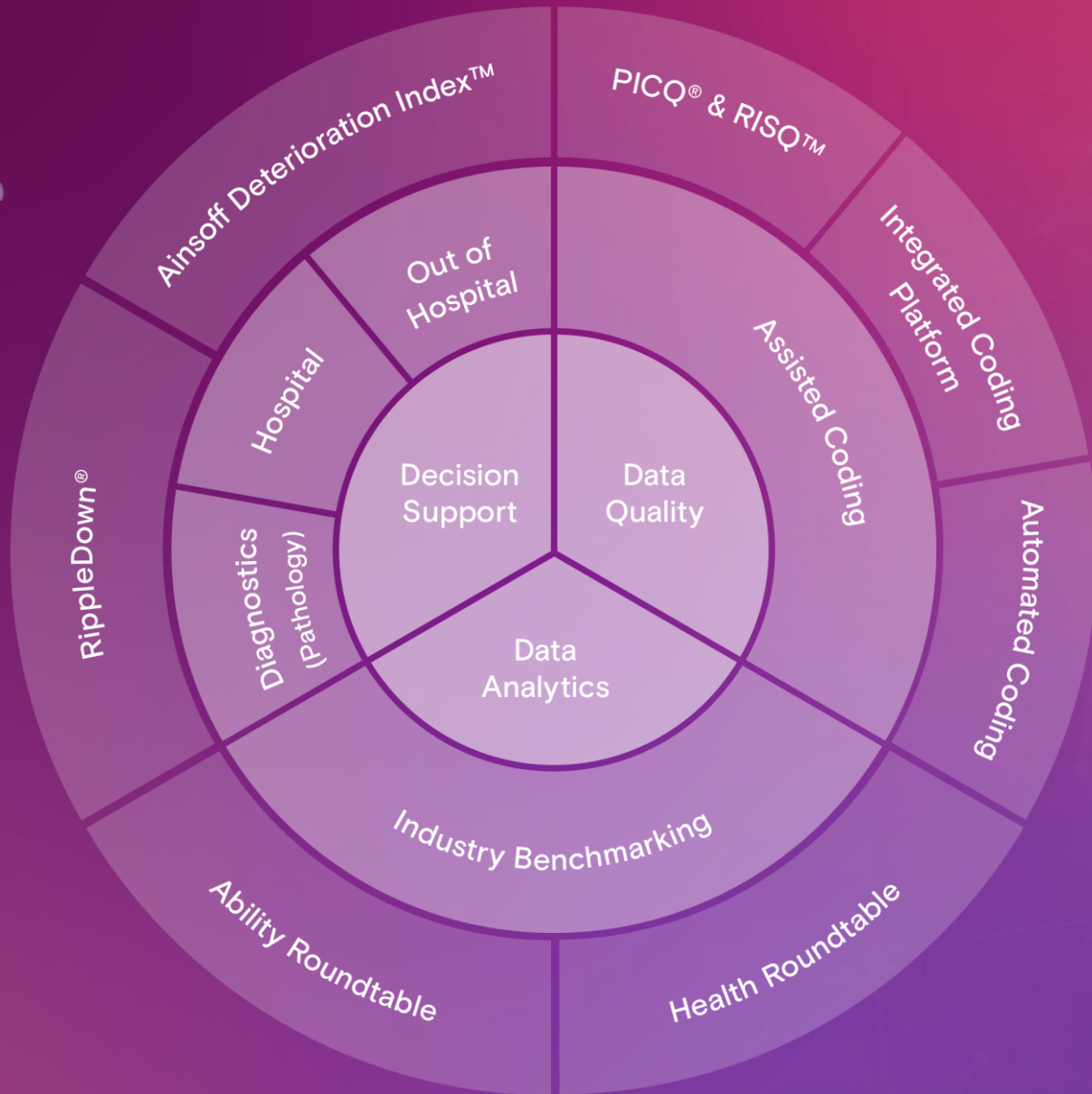
Creating a better future for health

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’

# Beamtree is committed to supporting learning health systems

ersonal use only



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

# About Us



25+ years of experience



Australian company with Australian IP



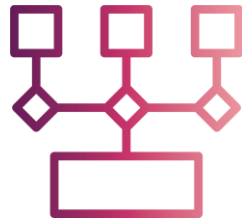
Supporting healthcare globally



Cutting-edge use of AI and machine learning



Diagnostic Technology leaders



Clinical Decision Support in acute care



Coding Assistance & Data Quality



Analytics & Knowledge Networks

RippleDown™ Expert    RippleDown™ Auditor

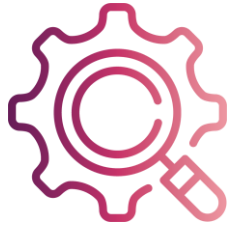
Ainsoff™  
Deterioration Index

Picq® Risq™

HEALTH  
ROUNDTABLE

ersonal use only

# The Problems We Help Solve



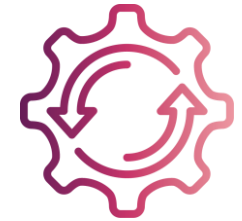
Tackle unwarranted variation



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.

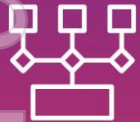


Picq®

Risq™

## Clinical Decision Support

Combining human and artificial expertise with machine learning to enhance decisions that improve care, value and experience.



Ainsoff™  
Deterioration Index

## Analytics and Knowledge Networks

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













HEALTH  
ROUNDTABLE

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

ersonal use only

# International Expansion

# International Growth : NHS pathfinder sites

Lancashire Teaching Hospitals **NHS**  
NHS Foundation Trust

**NHS**  
University Hospitals  
Coventry and Warwickshire  
NHS Trust

**One**  
Gloucestershire  
Transforming Care, Transforming Communities

**NHS**  
Southern Health  
NHS Foundation Trust



**NHS**  
North East and  
North Cumbria

**NHS**  
Lancashire and  
South Cumbria  
Integrated Care Board

**NHS**  
University Hospitals of Leicester  
NHS Trust

**NHS**  
Milton Keynes  
University Hospital  
NHS Foundation Trust

ersonal use only

# International Growth: Saudi Arabia



**Phase 1:** Since 2021, key contracts with government regulators setting data quality standards to deliver:

- Center for National Health Insurance - national review of coding quality at MoH hospitals
- National Casemix Center of Excellence - national health information governance strategy
- National Health Information Center - ongoing centralised routine data quality assurance for public and private hospitals



**Phase 2:** Since 2023, we have partnered with Lean Business Services:

- to co-develop the Integrated Coding Platform, launching globally in FY25
- in commercial partnership for GCC sales



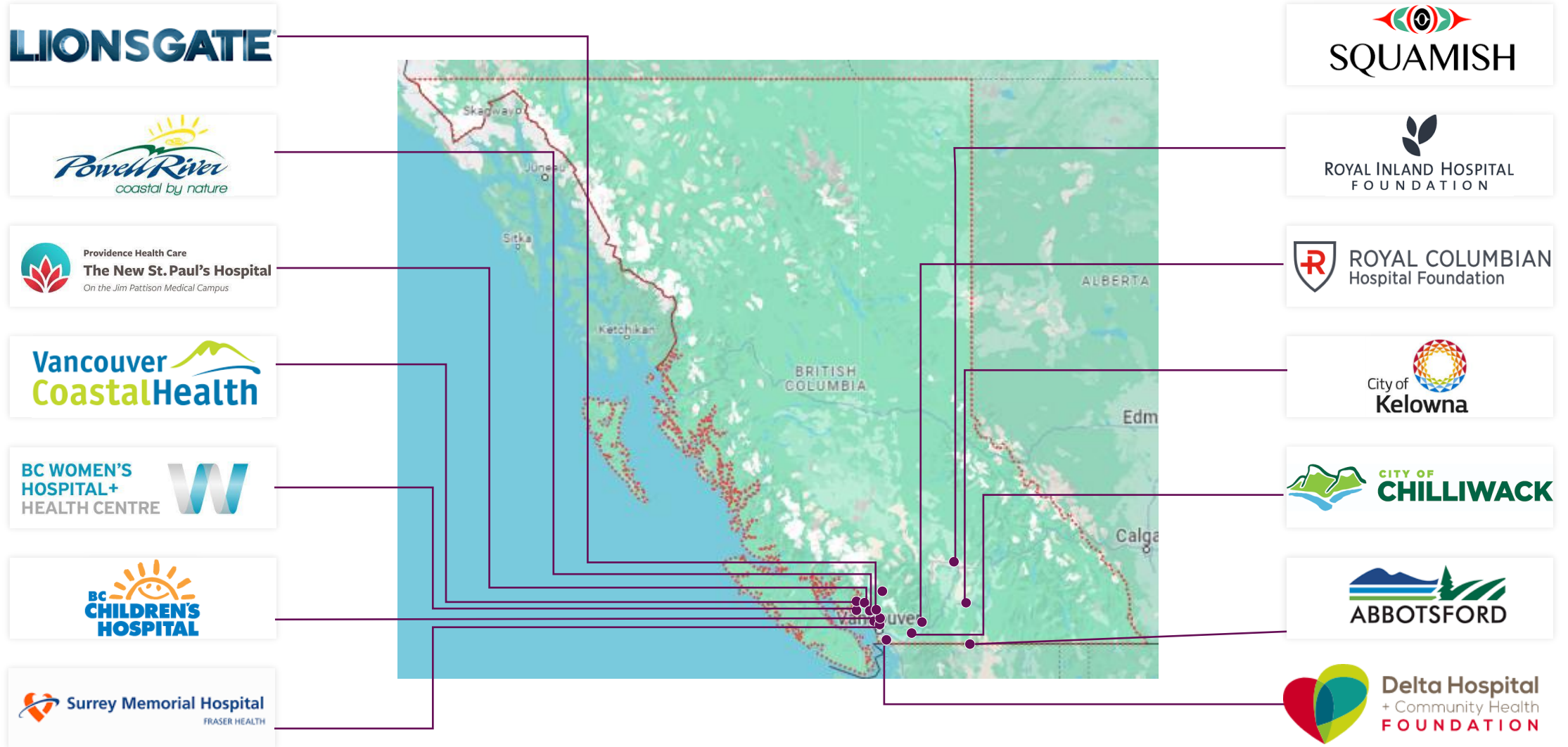
*Lean is a government-owned company, working as a key enabler of e-health innovation across the Saudi Arabian health system, including development of the national unified health information platforms for patients and providers*



**Phase 3:** Direct hospital sales from 2024 with an initial focus on coding products to leverage Phase 1 and 2 work – *first in Saudi Arabia and then across the GCC*

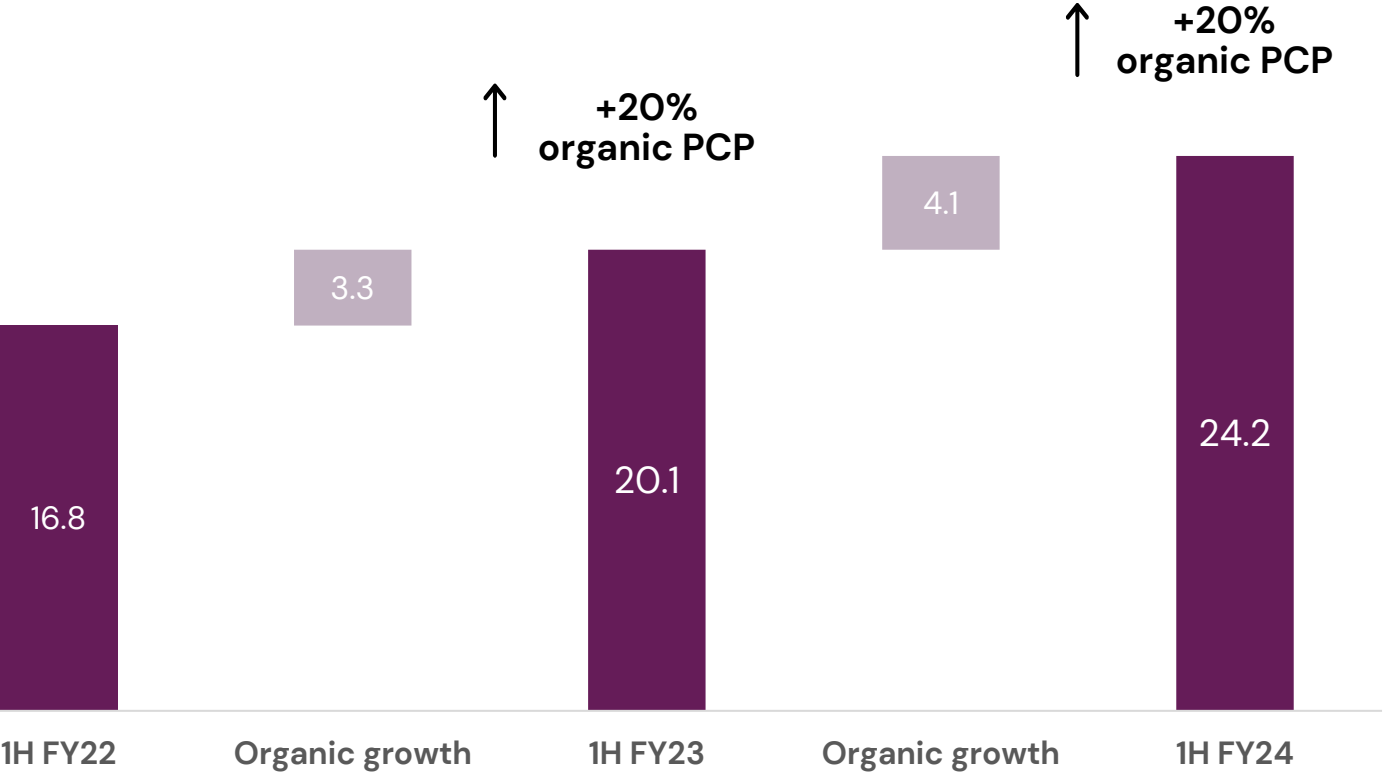
# International Growth: British Columbia sites

ersonal use only



# 1H FY24 Financial Results

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

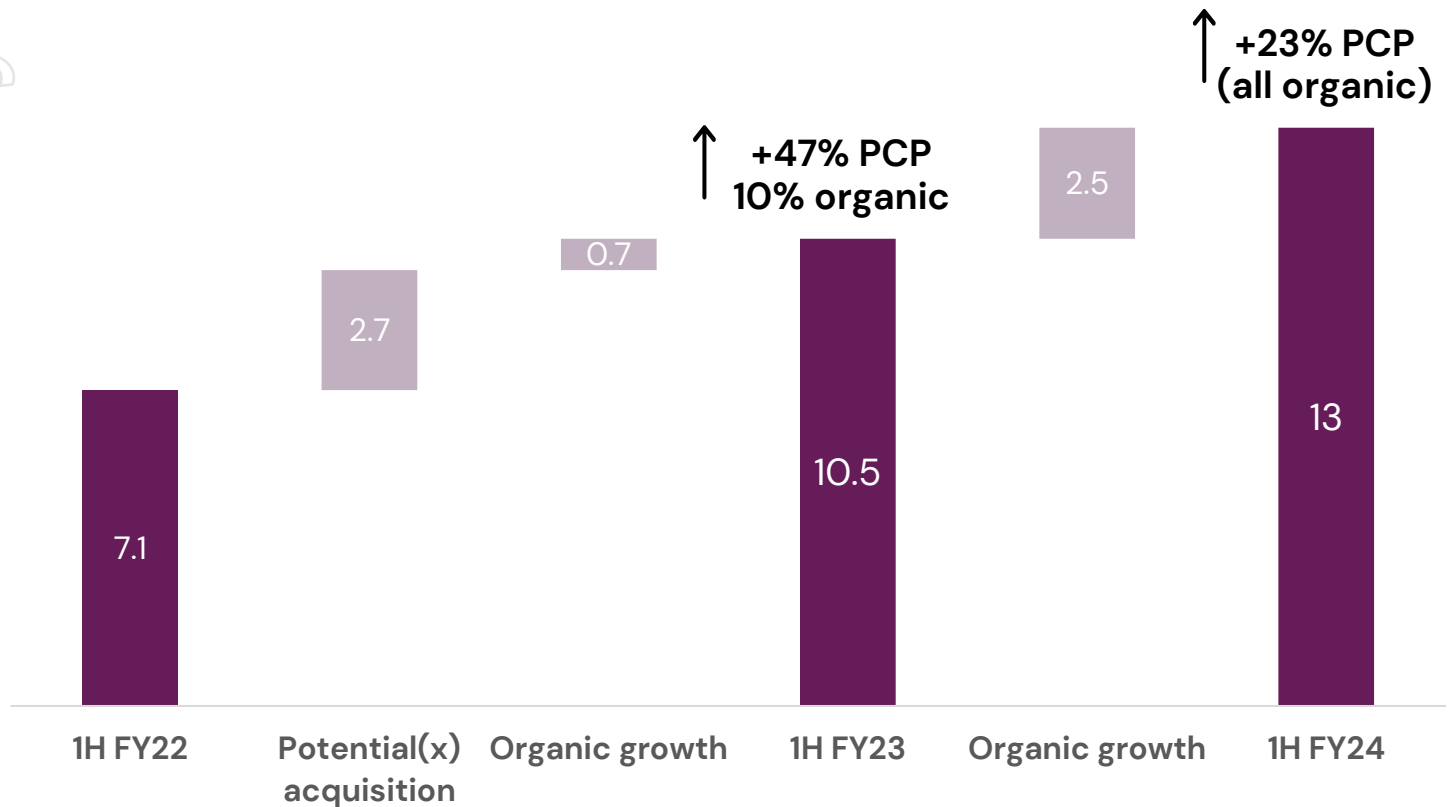


### Comments

- 24% growth in incremental ARR growth in 1HFY24 vs 1H FY23
- Main drivers (~80%) of ARR growth have Diagnostics and our Coding products.
- International growth, at 36% of reported revenue and growing at 45% in 1H FY24, is the significant driver of the ARR growth going forward.

\*Prior Corresponding Period "PCP"

# 1H Reported Revenue Growth (\$'M)



## Comments

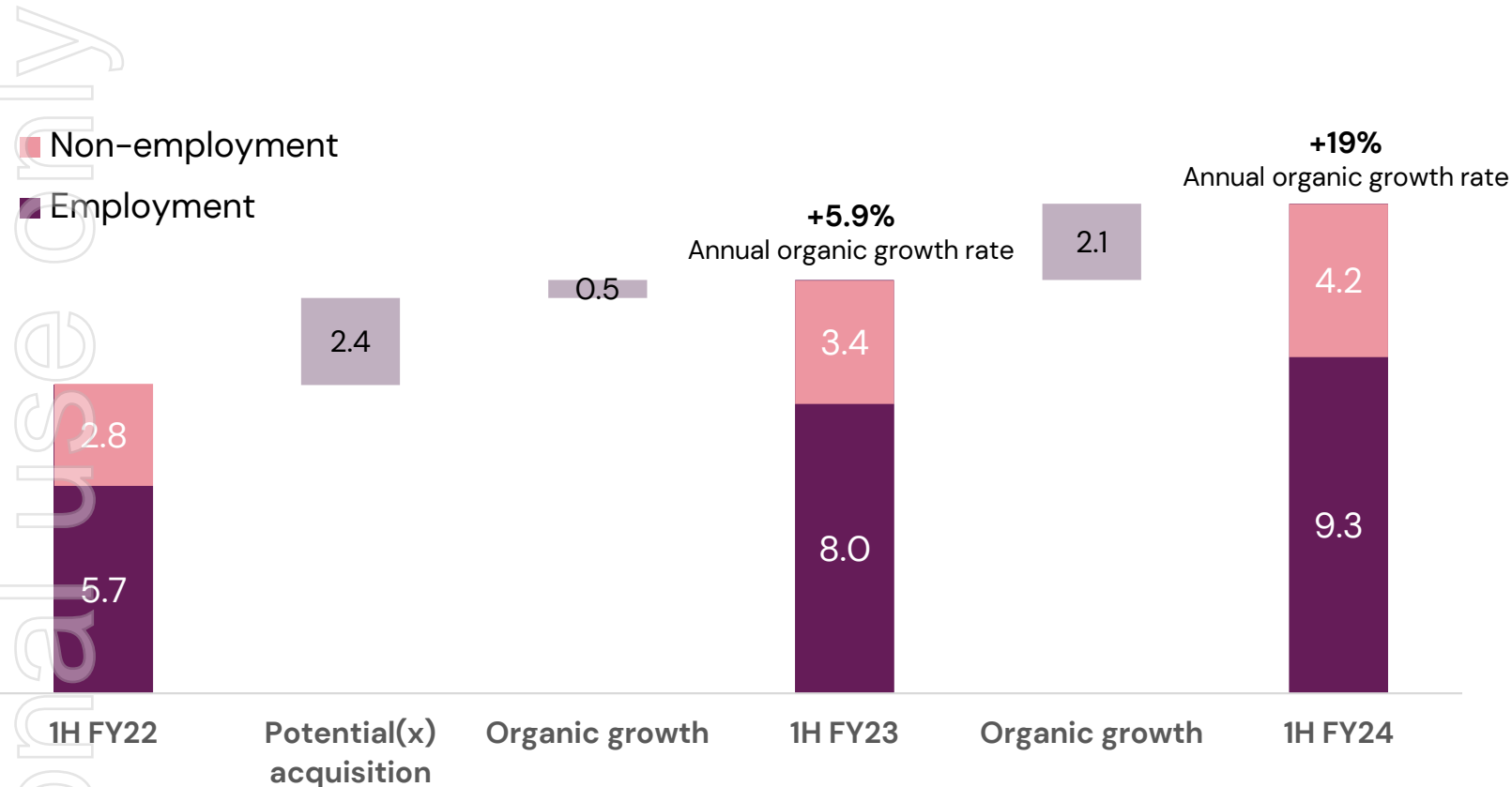
- Revenue growth contribution came from all four segments of Beamtree.
- Increasing activity in Saudi Arabia and Canada contributed to ~\$1m of organic revenue growth.
- Coding growth of ~\$0.5m was driven by recent above inflation price increases in ANZ and additional new customers
- Knowledge Networks revenue growth of \$0.5m was driven by increased product sales to existing customers and new customers.
- Diagnostics revenue growth driven by Abbott new licences and price and volume increases.

\*Organic growth excludes Potential(x) acquisition impact. Potential(x) acquisition was completed on 1<sup>st</sup> Oct 2022

Prior Corresponding Period "PCP"



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

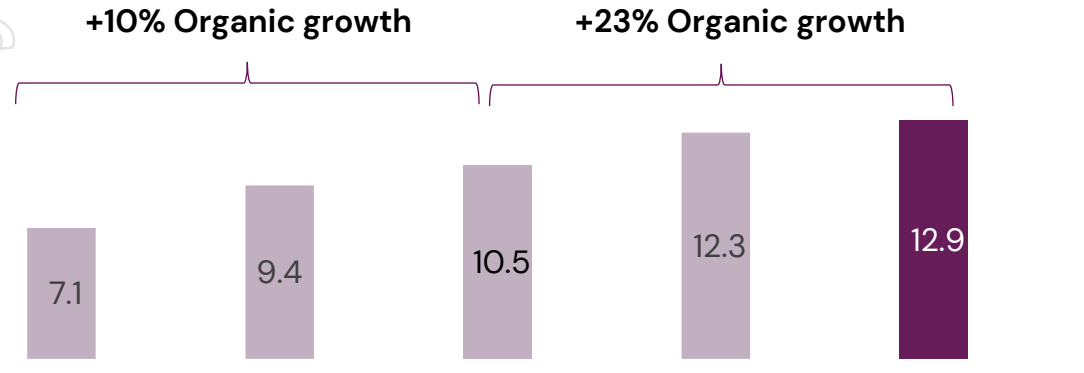


## Comments

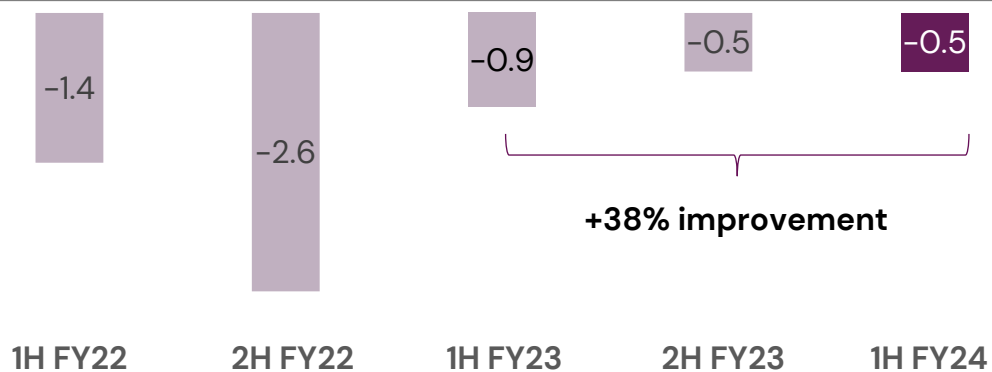
- 1H FY24 operating expense grew 19% versus revenue growth of 23%.
- The main drivers of the \$2.1m opex growth were:
  - \$1.3m increase in employment costs driven by third part contractors to deliver Saudi and Canadian projects, investment in additional capabilities (Chief Growth Officer, new Head of Insights & Analytics, new Head of Cyber Security and new Cyber Operations position)
  - \$0.8m increase in non-employment opex driven by investment in new cyber software tools (\$0.2m), higher cloud hosting costs (\$0.2m, FX driven) increased insurance costs (\$0.1m) and increased travel costs \$0.25m.

# Revenue & Operating Profit Trend and EBITDA

Reported revenue \$m



Operating profit \$m



Adjustments to Operating Profit vs. reported EBITDA (\$M)

	1H FY22	1H FY23	1H FY24
<b>Operating Profit</b>	(1.4)	(0.9)	(0.5)
<b>Non operating expenses (cash)</b>			
Transaction cost	(0.1)	0.0	0.0
Impact of AASB 16	0.2	0.2	0.2
Other income (government grant & sublease rent income)	0.1	0.0	0.0
Redundancies	0.0	(0.2)	(0.1)
<b>Total Non operating expenses (cash)</b>	<b>0.2</b>	<b>(0.0)</b>	<b>0.1</b>
	(1.2)	(0.9)	(0.5)
<b>Non operating expenses (non cash)</b>			
Foreign exchange (Loss) / Gain	(0.0)	(0.2)	(0.2)
Share based payment & Employee share scheme related expense	(0.1)	(0.5)	(0.5)
Fair value adjustment - deferred consideration shares	0.3	(0.6)	0.4
<b>Total Non operating expenses (non cash)</b>	<b>0.2</b>	<b>(1.2)</b>	<b>(0.3)</b>
<b>EBITDA</b>	<b>(1.0)</b>	<b>(2.1)</b>	<b>(0.8)</b>

# 1H Summary Profit and Loss

	1H FY24	1H FY23	Change
P&L (\$M)	Actual	Actual	FY23-24
<b>Revenue</b>	<b>12.9</b>	<b>10.5</b>	<b>23%</b>
<i>Annual recurring revenue (ARR)</i>	24.2	20.1	20%
Expenses – staff	(9.3)	(8.0)	16%
<u>Expenses – non staff</u>	<u>(4.2)</u>	<u>(3.4)</u>	<u>24%</u>
Total operating expenses	(13.5)	(11.4)	19%
Operating profit	(0.5)	(0.9)	38%
Reported EBITDA	(0.8)	(2.1)	63%
Depreciation & amortisation	(2.7)	(2.4)	12%
Profit before tax	(3.4)	(4.5)	24%
<u>Tax benefit / (expense)</u>	<u>0.5</u>	<u>0.4</u>	<u>27%</u>
NPAT	(2.9)	(4.1)	30%
Basic EPS (cents)	(1.1)	(1.7)	38%

Group Revenue

**+23%**

Opex

**+19%**

Operating Profit

**+38%**

EBITDA

**+63%**

# 1H Cashflow

	1H FY24	1H FY23
CF (\$M)	Actual	Actual
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	14.0	13.4
Payments to suppliers and employees (inclusive of GST)	(16.3)	(12.9)
<b>Net cash from/(used in) operating activities</b>	<b>(2.3)</b>	<b>0.5</b>
<b>Cash flows from investing activities</b>		
Payments for intangibles	(2.0)	(1.3)
<b>Net cash used in investing activities</b>	<b>(2.0)</b>	<b>(1.3)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares (net of transaction costs)	0.7	-
Repayment of lease liabilities	(0.2)	(0.2)
<b>Net cash from/(used in) financing activities</b>	<b>0.6</b>	<b>(0.2)</b>
Net increase/ (decrease) in cash and cash equivalents	(3.7)	(0.9)
Cash and cash equivalents at the beginning of the financial period	8.8	6.4
<b>Cash and cash equivalents at the end of the financial period</b>	<b>5.1</b>	<b>5.4</b>

## Comments

### Operating cashflow

- 1H FY24 operating cashflow impacted by delayed receipt of ~\$1.0m from international customer as well as increased use of third-party contractors to deliver Saudi and Canadian projects.

### Payment for Intangibles (Software Dev.)

- As previously indicated, Beamtree has increased its software development capitalisation for FY24 to ~\$3.5m. The increase is driven by the upgrade in the data platform. The new Coding project with Lean will result in software capitalisation being ~\$4.2m for FY24.

### Cashflow from Financing Activities

- Proceeds from issue of shares is \$0.6m from exercise of 6m \$0.10 options by Bombora Investment Mgmt. and \$0.1m from Directors (capital raise commitment)

# 1H Balance Sheet

	Dec-23	Jun-23	Dec-22
BS (\$M)	Actual	Actual	Actual
<b>Current assets</b>			
Cash and cash equivalents	5.1	8.8	5.4
Trade and other receivables	6.1	5.6	5.0
<b>Total current assets</b>	<b>11.2</b>	<b>14.4</b>	<b>10.4</b>
<b>Non-current assets</b>			
Property, plant and equipment	0.2	0.3	0.3
Right-of-use assets	0.1	0.2	0.4
Intangibles	45.2	45.7	46.6
Deferred tax assets	1.8	1.9	2.3
<b>Total non-current assets</b>	<b>47.2</b>	<b>48.1</b>	<b>49.6</b>
<b>Total assets</b>	<b>58.4</b>	<b>62.5</b>	<b>60.0</b>
<b>Current liabilities</b>			
Trade and other payables	3.1	5.0	4.7
Contract liabilities	3.5	3.1	2.5
Lease liabilities	0.1	0.2	0.3
Employee benefits	1.2	1.2	1.1
Deferred considerations - shares	-	2.8	3.9
<b>Total current liabilities</b>	<b>7.9</b>	<b>12.2</b>	<b>12.5</b>
<b>Non-current liabilities</b>			
Investment bond payable	0.5	0.5	0.5
Lease liabilities	-	0.1	0.1
Deferred tax liabilities	1.7	2.4	1.7
Employee benefits	0.1	0.1	0.1
<b>Total non-current liabilities</b>	<b>2.4</b>	<b>3.1</b>	<b>2.5</b>
<b>Total liabilities</b>	<b>10.3</b>	<b>15.3</b>	<b>15.0</b>
<b>Net assets</b>	<b>48.2</b>	<b>47.2</b>	<b>45.0</b>

Cash

**\$5.1m**

2H burn expected to be materially lower

Trade receivable

**\$6.1m**

Includes \$1m overdue from overseas customer

Deferred Consideration

**\$0.0m**

Issued in Oct 23

# Executive Summary 1H FY24 Highlights

Annual recurring revenue



**\$24.2M**

↑ **20%**  
PCP\*

1H Reported revenue



**\$13.0M**

↑ **23%**  
PCP

1H International revenue



**\$4.7M**

↑ **45%**  
PCP

1H Operating profit



**\$(0.5)M**

↑ **+38%**  
PCP

1H EBITDA



**\$(0.8)M**

↑ **+63%**  
PCP

1H Net cash position



**+\$5.1M**

\*Prior Corresponding Period "PCP"

# FY24 Outlook – No Change



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



Targeting FY24 organic revenue growth of +20%



Continued focus on cost management with cost growth % targeted to be lower than revenue growth %



Beamtree targeting to deliver a positive operating profit in FY24

## Divisional Growth

**Diagnostic Technology:** Capitalise sales momentum on direct and indirect (Abbott) pipeline

**Clinical Decision Support:** Expand ANZ footprint and focus on sales momentum in international markets

**Coding Assistance & Data Quality:** Additional data quality audits leading to significant product sales

**Analytics & Knowledge Networks:** Upgrade data platform infrastructure and related services to drive growth

**Thank you**