



# Beamtree<sup>®</sup>

## Interim Report

Six months ended 31 December 2023

Better has no limit<sup>®</sup>



# Beamtree<sup>®</sup>

## Creating a better future for health

As a global AI health technology company, we empower organisations to deliver exceptional patient care. We strive to create a better future for health by turning data into insights and action through automation.

## Beamtree<sup>®</sup>

Level 1, 16 Eveleigh St. Redfern, NSW, 2016 Australia

Tel. +61 2 8313 9990

[beamtree.com.au](https://beamtree.com.au)

Produced by: Beamtree Holdings Limited

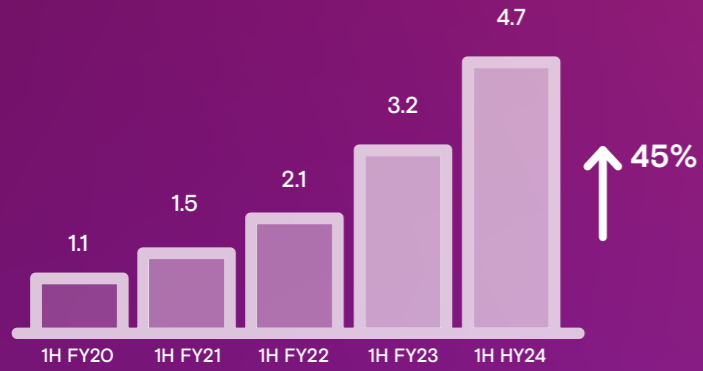
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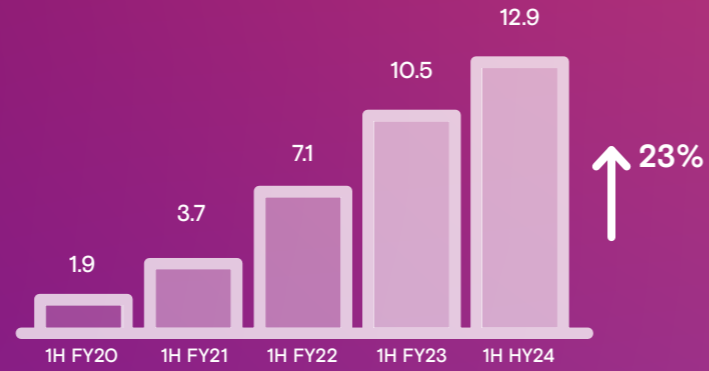
February 2024

# Financial Highlights

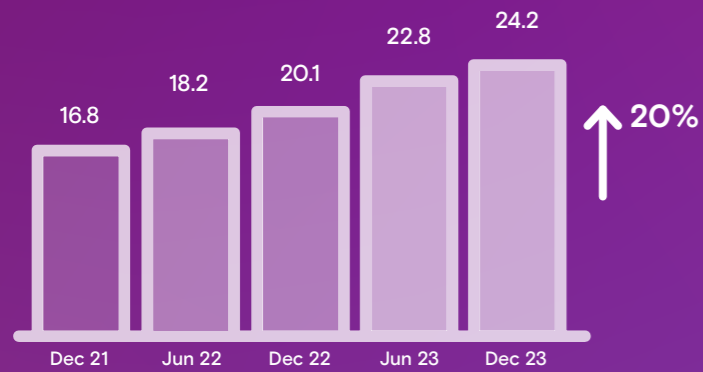
### Reported Revenue - International



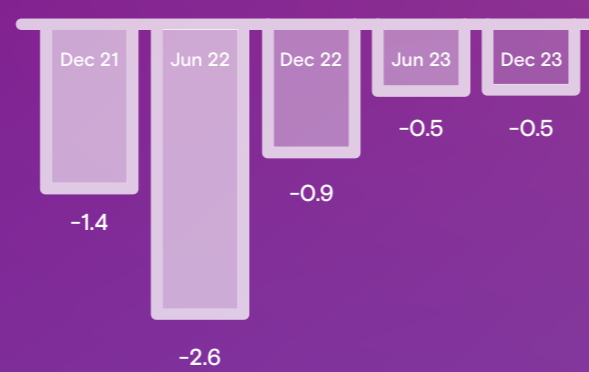
### Reported Revenue - Group



### ARR (Annual Recurring Revenue)

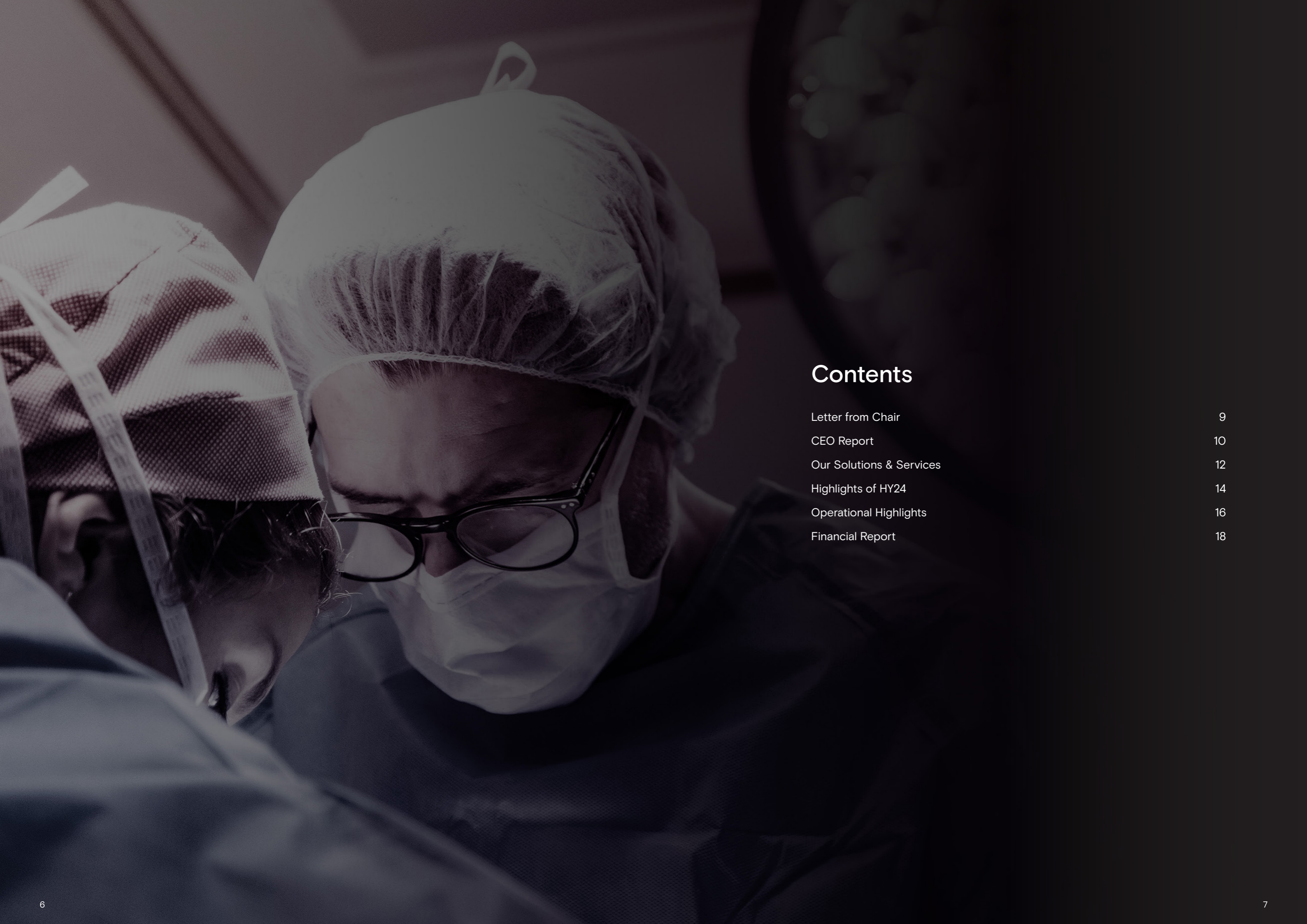


### Operating Loss



**We support 180+ clients who operate across 25 countries.**





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## Letter from Chair



Beamtree is a global pioneer in the application of AI decision support and advanced data analytics designed to solve vital problems in global healthcare. Our proprietary technology solutions support healthcare providers in more than 25 countries address workforce challenges, increase productivity, and improve patient outcomes.

Beamtree's results at the half year reflect the continuing success of our growth strategy anchored in deep partnerships (Abbott and Lean), key international markets (accounting for 36% of 1H FY24 revenue and 45% year-on-year growth), and near 100% client retention (across core markets). We expect that growth to continue in 2H as major pipeline opportunities in our priority global markets are closed. Overall, we report 23% growth in total revenue in the first half and have continuing confidence that we will achieve our growth objective of \$60m ARR by the end of 2026.

We are pleased to confirm that our revenue success in 1H and ongoing discipline in cost management means that we are on track to report a positive operating profit for the full year. We also finished the first half with a strong cash position which is ahead of internal forecasts.

### Strength in partnerships – Abbott and Lean

The acceleration in our international growth is underpinned by several key partnerships. These include our distribution agreement with Abbott Laboratories for RippleDown® in international diagnostics which has seen the product launched in the US for the first time in

1H and major pipeline development – for both licences and higher value sales with larger clients – in Asia Pacific and Latin America, as well as Europe and the Middle East. Results to date from our agreement with Abbott are in line with expectations and the pace of pipeline development is accelerating.

We continue to work with Lean, our partners in Saudi Arabia, on several attractive pipeline opportunities and have agreed to develop an innovative end-to-end coding platform with them, for initial launch in Saudi Arabia and the Gulf States in 2024 and global release thereafter.

### Deepening international presence

We continue to focus on our key international markets of the Kingdom of Saudi Arabia, the United Kingdom, the Republic of Ireland and Canada, with favourable results.

In the Kingdom of Saudi Arabia, in addition to working with Lean on a new coding platform, we have engaged in several private and public sector audit and coding contract opportunities (with Lean and independently), some of which are in the procurement negotiation phase.

In the United Kingdom, we have evolved eight strategic partnerships across a mixture of coding services and AI decision support, more than double the number compared to the end of FY23.

In Canada, we have now engaged 14 hospitals in our coding quality program in British Columbia. This activity is intended to be a precursor to recurrent product revenue for the future. Our presence in British Columbia is anchoring rich pipeline discussions in other provinces.

### Strong client retention

A characteristic of Beamtree's success is the very high level of customer satisfaction with our products. In the Republic of Ireland, we are pleased to confirm that the government has extended our six-year contract for PICQ® for a further twelve months as it moves to re-procurement. In Australia and New Zealand, we report more than 97% client retention across our product range.

I would like to thank our customers for giving us the opportunity to serve them, and our shareholders for their support. I would also like to pay tribute to the Beamtree team for their continued success in making this Australian AI pioneer a global growth business.

Sincerely,

**Emma Gray**

Chair



***“(ADI) is empowering for staff because once they receive an alert they can immediately see why the scoring tool was triggered and assess the patient appropriately. It is an outstanding example of how technology can support the safety and wellbeing of patients.”***

***Prof Jane Andrews, Medical Lead for CALHN GI Services in South Australia***



# CEO Report



Our initial focus in these markets is on coding – reflecting the priority health services are placing on improving the financial sustainability of services – but we are already seeing significant scale opportunities for upselling across our product range.

## Investing in AI Innovation

We continue to develop our field-leading AI and data technologies to continuously improve our service to clients by automating clinical and administrative processes to reduce costs and workload. In the first half, we launched our first machine-learning application for RippleDown® transforming the speed with which the software can learn. We also agreed new implementations of the Ainsoff Deterioration Index™, which uses AI to predict the risk of patient deterioration more than 24 hours in advance, in major public hospitals in Queensland and in the NHS in England. During the second half, we will complete a major program of investment, funded in combination with the Health Roundtable, in the digital infrastructure of this service which will transform the member experience and enable us to serve other sectors in Australia and New Zealand, including Aged Care, and internationally. Finally, the partnership between the University of Sydney and Beamtree is growing at pace with a mission to unlock innovative uses of health data. The team has expanded to include a research fellow and a core network of more than 20 students, interns and collaborators across the university and industry.

## Growth across all our product domains

Beamtree has four product domains:

### Diagnostic Technology:

powered by our flagship RippleDown® software products which automate expert decision-making in clinical and administrative processes in pathology;

### Coding Assistance and Data Quality:

our PICQ® and related coding technologies improve data quality in health services, and we are now using AI to develop new approaches to the automation of clinical record coding;

### Clinical Decision Support:

the Ainsoff Deterioration Index™ leverages machine learning to transform patient safety; and

### 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. The Health Roundtable serves more than 200 public hospitals in Australia and New Zealand.

In **Diagnostic Technology**, we continue to work closely with Abbott on building a pipeline following the agreement of a new distribution contract in December 2022. We have seen important licence wins in the first half – including in Mexico, Greece and Italy – and have closed our second higher-value revenue-sharing co-sale in Australia. Abbott has launched an unprecedented sales and marketing campaign globally, including in the US. We have also seen acceleration in the growth of our direct sales pipeline and delivered a key development in the NHS in 1H with the first implementation of RippleDown® at University Hospital Coventry and Warwickshire NHS Trust. We are now targeting further NHS contracts in 2024.

In **Coding Assistance and Data Quality**, we have completed a key contract for the Saudi Arabian Ministry of Health to map the future state of health information management and are now participating in three major tenders for procurement of our PICQ® and related software to support coding quality in hospitals. We are also finalising contract terms for coding services with a leading private provider in the Kingdom.

During the 1H, Beamtree agreed a landmark collaboration with Lean, our partners in Saudi Arabia, to build a new end-to-end assisted coding product that builds on Beamtree's existing coding products (PICQ® and Q Coding Platform) and Lean's complementary intellectual property. We expect that this new integrated coding product will support revenue growth in FY25 and beyond and is designed to serve the majority of the 500 public and private hospitals in Saudi Arabia. We plan to market this new product internationally after the initial launch in the Gulf.

Revenue growth across our Coding segment in Australia and New Zealand grew 21% in 1H via strong renewals and price growth across our two core data quality products, PICQ® and RISQ™.

In **Clinical Decision Support**, we have agreed new implementations with hospitals in the United Kingdom in 1H and now have four hospitals implementing the AI technology to support patient safety and discharge management. We have agreed implementation, after a trial in FY23, with a major Asia-Pacific health system which will initiate in 2H FY24. We also expect implementation with Gold Coast HHS in Queensland to start in the second half.

In **Analytics and Knowledge Networks**, the division which serves the Health Roundtable and the Ability Roundtable, we report more than 97% subscription renewals as members look forward to the transformation in service that will be delivered by the new digital platform to be launched in 2H.

Beamtree's success is built on the outstanding talents of our team, working with enormous dedication to support our customers around the world. I'd like to pay tribute to them and to thank members of our independent Global Impact Committee for their advice and inspiration, to our Board Directors for their leadership, to shareholders for their support and to our customers for the privilege of serving them.

Yours Sincerely,

**Tim Kelsey**  
CEO

Our success in the first half of FY24 demonstrates the proven value of our portfolio of AI and advanced data analytic products in supporting our clients across the world to reduce waste and improve revenue assurance and patient outcomes.

We have seen significant contract wins in 1H FY24, high levels of customer renewal (more than 97%) across our product set, and pipeline acceleration in all markets as the investment we made in our sales and product capabilities converts into high-margin sales.

## Growth in key global markets

Our strategic focus for international growth is on Saudi Arabia, the United Kingdom and Canada – and in all three markets, we are pleased to confirm growth in 1H with international revenues growing 45% in this period. In the United Kingdom, for example, we have doubled the number of clients in 1H. We have agreed contracts with three Integrated Care Boards in England (Lancashire and South Cumbria, North East and North Cumbria, and Gloucestershire) to undertake our first audits of coding quality in the NHS using our PICQ® product. We have also agreed new partnerships with the University Hospitals of Leicester NHS Trust and the University Hospital Coventry and Warwickshire NHS Trust to implement Beamtree technologies in coding and AI decision support.



# Our Solutions & Services

Beamtree's solutions and services are described in two connected product streams and four business segments. Our ability to assist healthcare providers transition from raw data to deep insights and action is described by our product strengths.

## Diagnostics & Clinical Decision Support

Diagnostics and Clinical Decision Support maximises our long history of successfully implementing automation in the pathology sector and expands our knowledge system products to support safety and quality in the acute clinical setting.



### Diagnostic Technology

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

RippleDown™  
Auditor

RippleDown™  
Expert



### Clinical Decision Support

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

Ainsoff™  
Deterioration Index

## Analytics & Coding Quality

Analytics and Coding Quality combines knowledge of health data and clinical coding classification systems to provide insight into health services while introducing opportunities to automate administrative and human expertise.



### 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™



### Analytics and Knowledge Networks

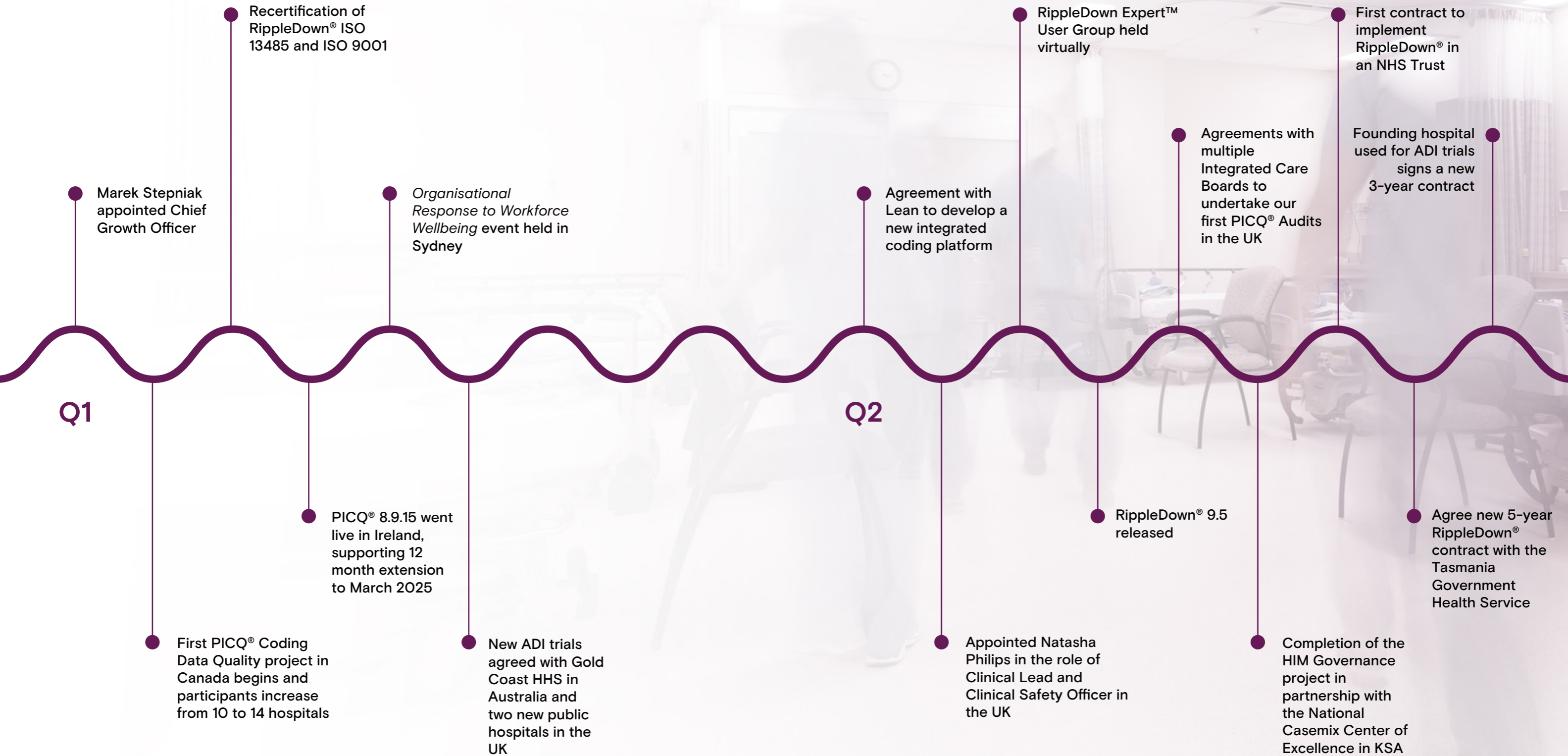
Combining data analytics solutions with peer-to-peer alliances that accelerate innovation and knowledge diffusion.

HEALTH  
ROUNDTABLE

the  
ability  
roundtable

Workforce Wellbeing  
Collaborative Program

# Highlights of HY24





# Operational Highlights

## Diagnostic Technology

When RippleDown® was first invented, it was regarded then as a cutting-edge instance of AI – and it remains so, replicating human expertise in healthcare, with transparency and intelligence. In 1H FY24, we have invested in upgrading RippleDown's interface, enhancing user experience and developing new functions in this pioneering tool. Customer engagement is high, with strong renewal rates and support for our new major releases. In the first six months of FY24, we have provided customers with multiple new features including new machine-learning features that empower intelligent rule-building, integration with Active Directory for single sign-on capabilities, and a new dashboard providing all customers real-time insights. We have also conducted several international user group meetings showcasing the value of the new features and collecting feedback on upcoming releases.

July marked our first go-live across Ampath (South Africa), one of our largest group clients worldwide. We started with RippleDown Auditor™, the billing and administrative decisions support tool, and together with the clinical experts at Ampath we have built more than 40 expert specialty clinical knowledges bases for rollout over coming months.

Our partnership with Abbott has continued to grow from strength to strength. In the first half of FY24, we launched RippleDown® in multiple new markets, including the United States of America, Vietnam and Malaysia. Together, we have pursued clients in these regions, communicating the value RippleDown® brings to organisations. 1H FY24 saw a 100% renewal rate for all Abbott clients and new Tier 1 clients in three new counties, Greece, Italy and Mexico, excitingly expanding our global reach. We have also expanded our relationship with an existing Abbott client in Saudi Arabia, which will see us create a flagship site in the region to demonstrate the value for pathology peers in the Middle East. A new co-sale agreement saw a new program of work kick-off in Melbourne, with the client using RippleDown Auditor and Expert in 2H FY24.

International direct sales growth is highlighted by our work in the United Kingdom, with pilot programs running

at Coventry, Lancashire, and Birmingham.

We continue to work with Philips in the Netherlands to expand use at their sites. We have a 100% direct client renewal rate including a new five-year contract with the Tasmanian government health service.

## Clinical Decision Support

1H FY24 saw continued success for the Clinical Decision Support segment, with the Ainsoff Deterioration Index™ (ADI) expanding its customer base internationally.

In the United Kingdom, analysis of clinical data using ADI was completed and showed ADI better predictive capability at 24 hours in advance, than other widely used systems do at 4 hours in advance. Work has continued to progress regulatory approvals in the United States and the United Kingdom

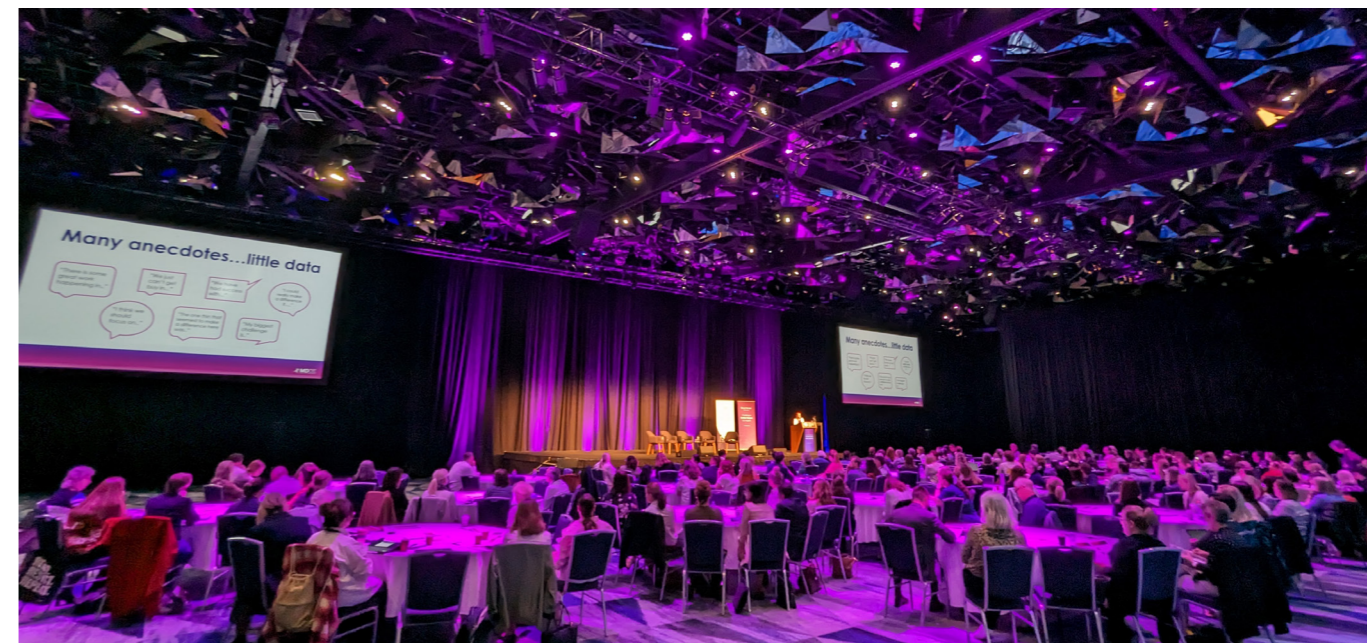
In Australia, a major Queensland Health Service signed a 12-month contract to trial ADI, with the aim of acting as a reference site for the rest of the state. The renewal rate for ADI is 100% with sites in New South Wales and South Australia extending their contracts to implement the new functionality and reporting. Our South Australian client is preparing to implement the new ADI dashboard live in 2H FY24.

Pulse+IT, a leading health industry publication, mentioned ADI in their 2023 Australian Digital Health Year in Review, in the section "interesting software, apps and new players in the market".

## Coding Assistance and Data Quality

Beamtree has continued to win new clients for PICQ® (automating the audit of hospital data) and RISQ™ (automated benchmarking of care quality) in Australia as well as roll out above inflationary price increases with limited customer churn. Internationally we have extended our national contract for PICQ® in the Republic of Ireland, and have a number of client opportunities for PICQ® progressing in Saudi Arabia, Canada and the United Kingdom.

A key development in 1H FY24 for the coding-focused area of Beamtree, was the extension of our strategic partnership with Lean Business Services in October 2023, an e-health company in the Kingdom of Saudi



*Organisational Response to Workforce Wellbeing, September 2023*

Arabia. This important development is centred on working together to combine both parties' technology to deliver a new integrated coding platform for the Saudi Arabian and international markets. It is expected that the new product will be available towards the end of 2024 and will support accelerated growth in both new markets, initially Saudi Arabia, and existing markets in Australia and New Zealand.

## Analytics & Knowledge Networks

Following the launch of the new Health Roundtable Strategy 2023-26 in May 2023, the first half of FY24 has focused on establishing projects to meet the strategic objectives of the Strategy, including extensive work on building the contemporary data platform. Members have been engaged and focused on co-designing the digital experience components including new data visualisations within a contemporary website and early adopters are testing the improved data submission process. Delivery of the data platform is scheduled for the middle of the year and Beamtree intends to leverage this investment to expand our Knowledge Network both overseas and into adjacent areas such as aged care and disability health care.

As well as the significant joint investment in improving technology, the Knowledge Networks team have been working with Health Roundtable members to revise and enhance the existing metrics. In partnership with students from Sydney University, unique methodologies are being peer reviewed and enhanced and the programs will include a significant range of enhancements for customers in Australia and New Zealand.

In September 2023, Beamtree, in partnership with Health Roundtable, held a significant event *Organisational Response to Workforce Wellbeing National Leaders Forum* featuring Dr Tait Shanafelt, Chief Wellness Officer at Stanford University. The event brought together thought leaders in workforce wellbeing across Australia and New Zealand from health services, colleges, and primary care.

Another Knowledge Network that we operate, Ability Roundtable, has also seen growth in membership in 1H FY24 to more than 60 members driven by ongoing enhancements to our analytics offering. Insight from the data is being used by Ability Roundtable to publish a range of white papers and advocacy activities across the sector.



# Financial Report



# Beamtree Holdings Limited

Financial Report  
31 December 2023

## Corporate directory

<b>Directors:</b>	Emma Gray Michael Hill Bradley Lancken Stephen Borness (resigned 31 December 2023) James Birch
<b>Company secretary</b>	Belinda Cleminson
<b>Registered office</b>	16 Eveleigh Street Redfern, NSW 2016 AUSTRALIA
<b>Principal place of business</b>	16 Eveleigh Street Redfern, NSW 2016 AUSTRALIA
<b>Australian Business Number</b>	42 627 071 121
<b>Stock Exchange Listing</b>	Australian Securities Exchange (ASX: BMT)
<b>Share register</b>	Automic Pty Ltd Level 5 126 Phillip Street Sydney, NSW 2000
<b>Auditor</b>	BDO Audit Pty Ltd Level 11 1 Margaret St Sydney NSW 2000
<b>Lawyers</b>	Holding Redlich Level 65 25 Martin Place Sydney NSW 2000
<b>Bankers</b>	HSBC Bank Australia Limited Level 36, Tower One – International Towers Sydney 100 Barangaroo Avenue Sydney NSW 2000
<b>Website</b>	<a href="http://www.beamtree.com.au">www.beamtree.com.au</a>
<b>Corporate Governance Statement</b>	<a href="http://www.beamtree.com.au/our-company/corporate-governance/">www.beamtree.com.au/our-company/corporate-governance/</a>

# Beamtree Holdings Limited

Financial Report  
31 December 2023

## Directors report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the “consolidated entity” or “the Group”) consisting of Beamtree Holdings Limited (referred to hereafter as the ‘Company’ or ‘Beamtree’) and the entities it controlled at the end of, or during, the period ended 31 December 2023 (referred hereafter as “1H FY24”).

### Directors

The following persons were directors of Beamtree Holdings Limited during the financial period and up to the date of this report, unless otherwise stated:

Emma Gray  
Michael Hill  
Brad Lancken  
James Birch  
Stephen Borness (resigned 31st December 2023)

### Principal activities

The principal activity of the consolidated entity during the period was the provision of AI based decision support and data insights solutions and other software services to the healthcare industry. Beamtree helps solve healthcare problems around the world by turning data into insights, action and automation to create a better future for health. Beamtree is a leading provider of technology software and services in Australia and is expanding its reach globally with its solutions used by over 180 clients in 25 countries.

### Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.



# Beamtree Holdings Limited

Financial Report  
31 December 2023

## Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$2.9m (31 December 2022: loss of \$4.1m). The table below outlines the Group financial results for 1H FY24.

Six months ended December 2023	1H'FY24	1H'FY23	Change
	\$'000	\$'000	%
Licence, subscription and usage fees	10,815	9,764	11%
Consulting and other services fees	2,133	736	190%
<b>Total Revenue</b>	<b>12,948</b>	<b>10,500</b>	<b>23%</b>
Expenses – people	(9,271)	(7,978)	16%
Expenses – non people	(4,223)	(3,401)	24%
<b>Total Operating Expenses</b>	<b>(13,494)</b>	<b>(11,379)</b>	<b>19%</b>
<b>Operating Profit/(Loss)</b>	<b>(546)</b>	<b>(879)</b>	<b>38%</b>
Non-operational expense	(628)	(651)	(4%)
Fair value adjustment – deferred consideration shares	396	(565)	(170%)
<b>Reported EBITDA</b>	<b>(778)</b>	<b>(2,095)</b>	<b>63%</b>
Depreciation & amortisation	(2,698)	(2,418)	12%
Interest income/(expense)	41	(31)	(233%)
<b>Net Profit/(Loss) before Income Tax</b>	<b>(3,435)</b>	<b>(4,544)</b>	<b>24%</b>
Income tax benefit/(expense)	533	418	27%
<b>Net Profit/(Loss) after Tax</b>	<b>(2,902)</b>	<b>(4,126)</b>	<b>30%</b>

## Revenue

In 1H FY24, Beamtree has continued to focus on its international growth strategy by winning new sales in countries such as the Kingdom of Saudi Arabia, United Kingdom and Canada and also continued to experience healthy growth rates in its original markets, Australia and New Zealand.

Overall, the Company has reported an increase in revenue of 23% in 1H FY24 with international revenue growing 45% and ANZ revenue growing 14% year on year. International revenue accounts for 36% of total revenue for the Group. The Company has also added new customers across all its four segments with minimal customer churn.

## Expenses

The Company's operating expenses base grew from \$11.4m in 1H FY23 to \$13.5m in 1H FY24, an increase of \$2.1m or 19%. The business has continued to invest in its capabilities such as cyber security and international sales resources. Beamtree also continues to invest in its key products particularly its Diagnostic product, RippleDown, and its AI based Ainsoff Deterioration Index which is targeted at existing clients but is a new product for the Group.

# Beamtree Holdings Limited

Financial Report  
31 December 2023

## Operating (loss)/profit

Operating loss for the Group was a loss of \$546K compared to an operating loss of \$879k in 1H FY23 as the business continues to invest in growth opportunities.

## Reported EBITDA vs. Operating (loss)/profit

The table below outlines adjustments between operating loss, a key performance measure for management and the Company, and reported EBITDA.

Beamtree Group	1H'FY24	1H'FY23
Actual vs. Prior Year	\$'000	\$'000
<b>Operating profit</b>	<b>(546)</b>	<b>(879)</b>
Foreign exchange gain/loss	(225)	(167)
Share based payment expense (non-cash)	(460)	(450)
Restructuring and other non-operating	(123)	(243)
Impact of AASB 16 (property lease costs)	180	209
Fair value adjustment – deferred consideration shares	396	(565)
<b>Reported EBITDA</b>	<b>(778)</b>	<b>(2,095)</b>
Depreciation & amortisation	(2,698)	(2,418)
Interest income/(expense)	41	(31)
<b>Loss before income tax</b>	<b>(3,435)</b>	<b>(4,544)</b>

## Cash

The consolidated cash position of the Company at 31 December 2023 was \$5.1m.

## Events after the reporting period

The Directors are not aware of any matters or circumstance that has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

## Officers of the company who are former directors of BDO Audit Pty Ltd

There are no officers of the company who are former directors of BDO Audit Pty Ltd.

## Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Emma Gray  
Chair

14 February 2024



**DECLARATION OF INDEPENDENCE BY GARETH FEW TO THE DIRECTORS OF BEAMTREE HOLDINGS LIMITED**

As lead auditor for the review of Beamtree Holdings Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Beamtree Holdings Limited and the entities it controlled during the period.



**Gareth Few**  
Director

**BDO Audit Pty Ltd**

Sydney, 14 February 2024



# Beamtree Holdings Limited

Financial Report  
31 December 2023

## General information

The financial statements cover Beamtree Holdings Limited as a consolidated entity consisting of Beamtree Holdings Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Beamtree Holdings Limited's functional and presentation currency.

Beamtree Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

### Registered office      Principal place of business

16 Eveleigh Street      16 Eveleigh Street  
Redfern, NSW 2016      Redfern, NSW 2016

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 14th February 2024. The directors have the power to amend and reissue the financial statements.

# Beamtree Holdings Limited

Financial Report  
31 December 2023

## Consolidated statement of profit or loss and other comprehensive income

	Note	1H'FY24 \$'000	1H'FY23 \$'000
<b>Revenue</b>	<b>3</b>	<b>12,948</b>	<b>10,500</b>
Other income	4	63	1
Fair value adjustments		396	(565)
<b>Expenses</b>			
Employee benefits expense		(9,376)	(8,233)
Sales and marketing		(1,206)	(956)
Share based payment expense		(460)	(390)
Consultancy, hosting and other direct costs		(1,565)	(1,449)
Other expenses		(1,515)	(1,003)
Depreciation and amortisation expense	5	(2,698)	(2,418)
Finance costs	5	(22)	(31)
<b>Total expenses</b>		<b>(16,842)</b>	<b>(14,480)</b>
<b>Loss before income tax expense</b>		<b>(3,435)</b>	<b>(4,544)</b>
Income tax benefit / (expense)		533	418
<b>Loss after income tax expense for the period attributable to the owners of Beamtree Holdings Limited</b>		<b>(2,902)</b>	<b>(4,126)</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Foreign currency translation		27	38
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net change in the fair value of cash flow hedges taken to equity, net of tax		-	167
Other comprehensive income for the period, net of tax		27	205
<b>Total comprehensive income for the period attributable to the owners of Beamtree Holdings Limited</b>		<b>(2,875)</b>	<b>(3,921)</b>
		Cents	Cents
Basic earnings per share	14	(1.05)	(1.69)
Diluted earnings per share	14	(1.05)	(1.69)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



# Beamtree Holdings Limited

Financial Report  
31 December 2023

## Consolidated statement of financial position

	Note	1H'FY24 \$'000	FY'23 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	5,099	8,806
Trade and other receivables	7	6,000	5,304
Contract assets		109	333
<b>Total current assets</b>		<b>11,208</b>	<b>14,443</b>
<b>Non-current assets</b>			
Property, plant and equipment		208	317
Right-of-use assets		51	203
Intangibles	8	45,215	45,681
Deferred tax assets		1,753	1,884
<b>Total non-current assets</b>		<b>47,227</b>	<b>48,085</b>
<b>Total assets</b>		<b>58,435</b>	<b>62,528</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		3,094	4,970
Contract liabilities	9	3,521	3,114
Lease liabilities		55	218
Current tax liability		1	6
Other provisions		50	-
Employee benefits		1,179	1,154
Deferred considerations - shares	11	-	2,769
<b>Total current liabilities</b>		<b>7,900</b>	<b>12,231</b>

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## Consolidated statement of financial position (Continued)

	Note	1H'FY24 \$'000	FY'23 \$'000
<b>Non-current liabilities</b>			
Investment bond payable	10	520	537
Other provisions		-	50
Deferred tax liabilities		1,719	2,377
Employee benefits		135	112
<b>Total non-current liabilities</b>		<b>2,374</b>	<b>3,076</b>
<b>Total liabilities</b>		<b>10,274</b>	<b>15,307</b>
<b>Net assets</b>		<b>48,161</b>	<b>47,221</b>
<b>Equity</b>			
Issued capital	12	58,804	55,266
Reserves	13	1,293	1,130
Accumulated losses		(11,936)	(9,175)
<b>Total equity</b>		<b>48,161</b>	<b>47,221</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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### Consolidated statement of changes in equity

	Issued capital	Reserves	Contingent consideration	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2022	50,195	647	-	(2,267)	48,575
Loss after income tax benefit for the period	-	-	-	(4,126)	(4,126)
Other comprehensive income for the period, net of tax	-	205	-	-	205
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>205</b>	<b>-</b>	<b>(4,126)</b>	<b>(3,921)</b>
Transactions with owners in their capacity as owners:					
Issue of ordinary shares	28	(28)	-	-	-
Share-based payments	-	390	-	-	390
Options exercised/ Performance rights transferred from reserve	36	(36)	-	-	-
<b>Balance at 31 Dec 2022</b>	<b>50,259</b>	<b>1,178</b>	<b>-</b>	<b>(6,393)</b>	<b>45,044</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

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	Issued capital	Reserves	Contingent consideration	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2023	55,266	1,130	-	(9,176)	47,220
Loss after income tax benefit for the period	-	-	-	(2,902)	(2,902)
Other comprehensive income for the period, net of tax	-	27	-	-	27
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>27</b>	<b>-</b>	<b>(2,902)</b>	<b>(2,875)</b>
Transactions with owners in their capacity as owners:					
Issue of ordinary shares	130	-	-	-	130
Share issued under ESS and STI	259	-	-	-	259
Share-based payments	-	454	-	-	454
Options exercised/ Performance rights transferred from reserve (Note 12)	776	(176)	-	-	600
Conversion of Deferred shares	2,373	-	-	-	2,373
Transfer from reserve to retained earnings	-	(142)	-	142	-
<b>Balance at 31 Dec 2023</b>	<b>58,804</b>	<b>1,293</b>	<b>-</b>	<b>(11,936)</b>	<b>48,161</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.



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## Consolidated statement of cash flows

	1H'FY24	1H'FY23
Note	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	13,997	13,389
Payments to suppliers and employees (inclusive of GST)	(16,283)	(12,854)
Interest received	18	1
Interest and other finance costs paid	(35)	(20)
Income taxes refunded/(paid)	-	-
<b>Net cash from/(used in) operating activities</b>	<b>(2,303)</b>	<b>516</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of business, net of cash acquired	-	-
Payments for property, plant and equipment	(31)	(44)
Payments for intangibles	8 (1,940)	(1,238)
<b>Net cash used in investing activities</b>	<b>(1,971)</b>	<b>(1,282)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	130	-
Proceeds from exercise of options	600	-
Repayment of lease liabilities	(163)	(162)
<b>Net cash from/(used in) financing activities</b>	<b>567</b>	<b>(162)</b>
Net increase/ (decrease) in cash and cash equivalents	(3,707)	(928)
Cash and cash equivalents at the beginning of the financial period	8,806	6,351
<b>Cash and cash equivalents at the end of the financial period</b>	<b>5,099</b>	<b>5,423</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

## Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

### Going concern evaluation:

The interim financial report is prepared on a going concern basis. The Directors' believe it is appropriate to prepare the financial report on a going concern basis after considering the following factors:

- A closing cash balance of \$5.1 million at the end of December 2023 provides a strong cash position going into 2024 and excludes around \$1.6 million of cash receipts expected from an international customer in the first half of 2024. The validity of this debt is not being disputed and all services have been provided in relation to this milestone.
- The cash position is further supported by the strong net current assets of the Company, excluding the non-cash contract liabilities, which show net current assets of \$6.8m at 31 December 2023.
- Continued strong revenue growth of 23% in the 1H FY24 and a growing sales pipeline with the Company's annual recurring revenue (ARR) growth of 20% in the 1H FY24. This has been largely driven by contracts won in 1H FY24 and continuing investment in products which are in demand from potential customers.
- The Company's forward looking forecast and cash and financial management framework which has modelled downside scenarios.
- Management will continue to focus on both growing the business especially in international markets, as well as strong cost control within the approved budget. The Board and management intend to manage cost growth based on the delivery of revenue growth to reduce ongoing cash requirements of the business.
- The Company's access to equity capital markets and other short term and long term funding options if required.

The Directors have concluded that there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due. On this basis the financial report has been prepared on an ongoing concern basis.

## Note 2. Operating segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Chief Executive Officer manages the Group's activities as one business segment which has a range of software solutions, for diagnostics and healthcare coding sectors, data analytics and benchmarking services to assist healthcare providers across different regions in improving efficiency of their services and delivering higher quality care for patients.

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## Note 3. Revenue

	1H'FY24	1H'FY23
Consolidated	\$'000	\$'000
License, subscription and usage fees	10,815	9,764
Consulting and other services	2,133	736
<b>Revenue</b>	<b>12,948</b>	<b>10,500</b>

### Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	License, subscription and usage fees	Consulting and other services	Total
Six months ended Dec 2023	\$'000	\$'000	\$'000
<b>Sales channels</b>			
Direct Customers	10,300	2,122	12,422
Global partners	515	11	526
	<b>10,815</b>	<b>2,133</b>	<b>12,948</b>
<b>Geographical regions</b>			
Australia	7,177	1,084	8,261
Europe	654	-	654
Rest of the world	2,984	1,049	4,033
	<b>10,815</b>	<b>2,133</b>	<b>12,948</b>
<b>Timing of revenue recognition</b>			
Revenue recognised at a point in time	1,817	271	2,088
Services transferred over time	8,998	1,862	10,860
	<b>10,815</b>	<b>2,133</b>	<b>12,948</b>

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## Note 3. Revenue (Continued)

	License, subscription and usage fees	Consulting and other services	Total
Six months ended Dec 2022	\$'000	\$'000	\$'000
<b>Sales channels</b>			
Direct Customers	9,339	633	9,972
Global partners	425	103	528
	<b>9,764</b>	<b>736</b>	<b>10,500</b>
<b>Geographical regions</b>			
Australia	6,693	579	7,272
Europe	763	81	844
Rest of the world	2,308	76	2,384
	<b>9,764</b>	<b>736</b>	<b>10,500</b>
<b>Timing of revenue recognition</b>			
Revenue recognised at a point in time	-	90	90
Services transferred over time	9,764	646	10,410
	<b>9,764</b>	<b>736</b>	<b>10,500</b>

### Accounting policy for revenue from contracts with customers

The entity recognises sales revenue related to the transfer of promised goods or services when a performance obligation is satisfied and when control of the goods or services passes to the customer, which is when the customer receives the product upon installation. The amount of revenue recognised reflects the consideration to which the entity is or expects to be entitled in exchange for those goods or services.

Contracts with customers can include various combinations of product and services, which are distinct and accounted for as separate performance obligations. The revenue associated with each obligation is calculated based on its stand-alone selling price.

Revenue is recognised over time if the customer simultaneously receives and consumes the benefits as the entity performs. If this is not the case, revenue is recognised at a point in time. The entity recognises revenue predominantly from the following sale of software and services.



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## License, subscription and usage fees

Contracts may include the provision of regular upgrades, maintenance and support. Upgrades are the result from minor maintenance and customers are able to elect whether to upgrade or continue using their existing product version. These services are on-going and the performance obligation is satisfied over the year. Licence revenue from these services is recognised on a pro-rata basis.

Customer contracts may include fees based on the number of interpretations at a specified rate or an agreed monthly or quarterly amount. Revenue based on usage is recognised over time as the client simultaneously receives and consumes the benefits. The performance obligation is satisfied during the provision of the service to the customer.

## Consulting and other services

Consulting and other services are specific to the customer and are charged at contracted rates. These projects may include off-line static analysis for rule building in RippleDown, support such as assistance with complex rule building, dashboard development, specific integration or marketing and pre-sales support to channel partners and training services as requested by customers. The projects also include review of coding data quality work and advisory services in relation to hospital coding. The performance obligation is satisfied over the period in which the service is provided and revenue is recognised over the same period

## Note 4. Other Income

	1H'FY24	1H'FY23
Consolidated	\$'000	\$'000
Interest received	63	1
<b>Other income</b>	<b>63</b>	<b>1</b>

## Accounting policy for other income

### Interest received

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset

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## Note 5. Expenses

	1H'FY24	1H'FY23
Consolidated	\$'000	\$'000
<b>Loss before income tax includes the following specific expenses:</b>		
<b>Depreciation</b>		
Leasehold improvements	37	12
Plant and equipment	55	82
Fixtures and fittings	48	6
Buildings right-of-use assets	152	200
<b>Total depreciation</b>	<b>292</b>	<b>300</b>
<b>Amortisation</b>		
Capitalised development costs	1,055	780
Patents and trademarks	13	-
Software	638	638
Customer list	700	700
<b>Total amortisation</b>	<b>2,406</b>	<b>2,118</b>
<b>Total depreciation and amortisation</b>	<b>2,698</b>	<b>2,418</b>
<b>Finance costs</b>		
Interest and finance charges paid/payable on investment bond payable	18	17
Interest and finance charges paid/payable on lease liabilities	4	14
<b>Finance costs expensed</b>	<b>22</b>	<b>31</b>
<b>Net foreign exchange loss</b>		
Net foreign exchange loss	225	167
<b>Superannuation expense</b>		
Defined contribution superannuation expense	819	695

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## Note 6. Cash and cash equivalents

	1H FY24	FY23
Consolidated	\$'000	\$'000
<b>Current assets: Cash and cash equivalents</b>		
Cash	1,761	5,661
Other financial assets (term deposit and bank guarantee)	3,338	3,145
	<b>5,099</b>	<b>8,806</b>

### Accounting policy for cash and cash equivalents

Cash is recognised as it is transacted either on receipt or payment. Cash is reconciled on a daily basis comparing the accounting records to the external bank statements. Beamtree currently has placed \$3M on 5 Months Term Deposit expiring 13th February 2024 earning an equivalent annual interest rate of 4.66%.

## Note 7. Trade and other receivables

	1H FY24	FY23
Consolidated	\$'000	\$'000
<b>Current assets</b>		
Trade receivables	5,086	4,232
Less: Allowance for expected credit losses	(71)	(71)
	<b>5,015</b>	<b>4,161</b>
Other receivables	213	411
Deposits and prepayments	772	732
<b>Total Trade and other receivables</b>	<b>6,000</b>	<b>5,304</b>

### Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

### Allowance for expected credit losses

The expected credit loss provision assessment has been performed by cash generating unit to align with the nature of the risk associated with each respective customer base.

### Other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

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## Note 8. Intangibles

	1H FY24	FY23
Period ended	\$'000	\$'000
<b>Non-current assets</b>		
<b>Non amortising intangible assets</b>		
Goodwill - at cost	30,927	30,927
Brand name - at cost	641	641
Less: Write down	(24)	(24)
	<b>617</b>	<b>617</b>
Capitalised development costs - at cost	12,099	10,159
Less: Accumulated amortisation	(4,996)	(3,941)
	<b>7,103</b>	<b>6,218</b>
Patents and trademarks - at cost	13	14
Less: Accumulated amortisation	(13)	(1)
	<b>-</b>	<b>13</b>
Acquired Software - at cost	5,671	5,671
Less: Accumulated amortisation	(2,951)	(2,313)
	<b>2,720</b>	<b>3,358</b>
Customer list - at cost	6,996	6,996
Less: Accumulated amortisation	(3,148)	(2,448)
	<b>3,848</b>	<b>4,548</b>
<b>Total Intangibles</b>	<b>45,215</b>	<b>45,681</b>



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## Note 8. Intangibles (continued)

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial period are set out below:

	Goodwill	Capitalised development costs	Acquired Software	Customer list	Brand name	Patents and trademarks	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2023	30,927	6,218	3,358	4,548	617	13	45,681
Additions	-	1,940	-	-	-	-	1,940
Amortisation expense	-	(1,055)	(638)	(700)	-	(13)	(2,406)
<b>Balance at 31 December 2023</b>	<b>30,927</b>	<b>7,103</b>	<b>2,720</b>	<b>3,848</b>	<b>617</b>	<b>-</b>	<b>45,215</b>

Goodwill relates to the acquisition of Pacific Knowledge Systems Pty Ltd in May 2019, the acquisition of Pavilion Health Australia Pty Ltd in May 2020 and the acquisition of Potential(x) Holdings Pty Ltd in September 2021.

### Accounting policy for intangible assets

Below are the key components of the accounting policy for intangible assets.

- Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition.
- Intangible assets acquired separately are initially recognised at cost.
- Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment.
- Finite life intangible assets are subsequently measured at cost less amortisation and any impairment.
- The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset.
- The method and useful lives of finite life intangible assets are reviewed annually
- Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period

### Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

### Capitalised development costs

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

### Acquired software

Software acquired through business combinations were independently valued and recognised at fair value. Software is amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

### Customer lists

Customer lists acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

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## Note 9. Contract liabilities

	1H'FY24	FY'23
Consolidated	\$'000	\$'000
<b>Current liabilities</b>		
Contract liabilities	3,521	3,114
<b>Reconciliation</b>		
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	3,114	2,792
Payments received in advance	5,597	9,283
Transfer to revenue - performance obligations satisfied during the period	(5,190)	(8,961)
<b>Closing balance</b>	<b>3,521</b>	<b>3,114</b>

### Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (deferred revenue) at the end of the reporting period was \$3,521k as at 31 December 2023 (\$3,114k as at 30 June 2023) and is expected to be recognised as revenue in future periods as follows:

	1H'FY24	FY'23
Consolidated	\$'000	\$'000
Within 6 months	2,338	2,078
6 to 12 months	1,183	1,036
	<b>3,521</b>	<b>3,114</b>

### Accounting policy for contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

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## Note 10. Investment bond payable

	1H'FY24	FY'23
Period ended	\$'000	\$'000
<b>Non-current liabilities</b>		
<b>Investment bond payable</b>	<b>520</b>	<b>537</b>

### Accounting policy for investment bond payable

Investment bond payable to The Health Roundtable Limited, maturing on 30 August 2028, with an interest rate of 6.5% per annum. Interest is payable quarterly in cash, or alternatively capitalised to the carrying value of the loan.

The investment bond payable is initially recognised at the fair value of the consideration received, net of transaction costs. It is subsequently measured at amortised cost using the effective interest method.

## Note 11. Deferred consideration - shares

	1H'FY24	FY'23
Consolidated	\$'000	\$'000
<b>Current liabilities</b>		
<b>Deferred considerations - shares</b>	<b>-</b>	<b>2,769</b>

Deferred consideration were shares issued in connection with the business acquisition of Potential(x) in September 2021. These were deferred for 24 months from transaction date as security against any warranty and indemnity claims. No claims were made against the Company in connection with the business acquisition within the past 24 months deferral period, therefore the number of deferred shares was not required to be adjusted. Each deferred share was converted (1:1) to ordinary shares in the company in Oct 2023.

Shares are fair valued at the end of each reporting period, with fair value movements recorded through the statement of profit or loss. The fair value movement recorded through the statement of profit and loss during the current period.

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## Note 12. Issued capital

	Dec-23	Jun-23	Dec-23	Jun-23
Consolidated	Shares	Shares	\$'000	\$'000
Ordinary shares - fully paid	286,505,827	266,137,943	58,804	55,266
Movements in ordinary share capital				
<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$'000</b>
Balance	30-Jun-22	244,236,400		50,195
Issue of Ordinary Capital	13-Jul-22	100,000	\$0.28	28
Conversion of performance rights	20-Jul-22	200,000	\$0.09	18
Conversion of performance rights	20-Oct-22	200,000	\$0.09	18
Issue of Ordinary Shares ESS	2-Mar-23	34,533	\$0.31	11
Issue of Ordinary Shares - STI	20-Mar-23	956,673	\$0.25	239
Issue of Ordinary Shares ESS	26-Apr-23	37,503	\$0.30	11
Issue of Ordinary Capital - Capital Raise	29-May-23	20,000,000	\$0.25	5,000
Cost of Capital fundraising				(301)
Issue of Ordinary Shares ESS	7-Jun-23	72,834	\$0.27	20
Conversion of performance rights	26-Jun-23	300,000	\$0.09	27
<b>Balance</b>	<b>30-Jun-23</b>	<b>266,137,943</b>		<b>55,266</b>
Conversion of performance rights	6-Jul-23	200,000	\$0.09	18
Issue of Ordinary Shares ESS	12-Jul-23	43,250	\$0.24	10
Issue of Ordinary Capital	25-Aug-23	100,000	\$0.22	22
Exercise of Share Options	28-Sep-23	6,000,000	\$0.10	600
Conversion of Deferred Shares	5-Oct-23	11,300,000	\$0.21	2,373
Issue of Ordinary Shares - STI	30-Oct-23	1,135,112	\$0.21	233
Issue of Ordinary Shares ESS	30-Oct-23	69,522	\$0.22	16
Conversion of performance rights	22-Dec-23	1,000,000	\$0.14	136
Issue of Ordinary Capital - Directors Capital Raise	22-Dec-23	520,000	\$0.25	130
<b>Balance</b>	<b>31-Dec-23</b>	<b>286,505,827</b>		<b>58,804</b>



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## Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

## Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

The consolidated entity may look to raise capital when an opportunity to invest in a business or company is seen as value adding relative to the current company's share price at the time of the investment.

## Accounting policy for share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## Note 13. Reserves

### Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

### Share based payments reserve

The share based payments reserve is used to recognise the value of equity benefits provided to directors and employees as part of their remuneration, and other parties as part of their compensation for services.

### Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below

	1H'FY24	FY'23
Period ended	\$'000	\$'000
Foreign currency reserve	(80)	(107)
Share based payments reserve	1,373	1,237
	<b>1,293</b>	<b>1,130</b>

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## Note 14. Earnings per share

	1H'FY24	1H'FY23
Consolidated	\$'000	\$'000
Loss after income tax attributable to the owners of Beamtree Holdings Limited	(2,902)	(4,126)
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(1.05)	(1.69)
Diluted earnings per share	(1.05)	(1.69)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	275,440,520	244,588,574
<b>Weighted average number of ordinary shares used in calculating diluted earnings per share</b>	<b>275,440,520</b>	<b>244,588,574</b>

## Note 15. Events after the reporting period

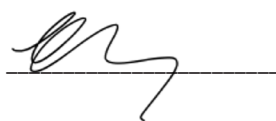
No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

## In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Emma Gray  
Chair

14 February 2024



Tel: +61 2 9251 4100  
Fax: +61 2 9240 9821  
www.bdo.com.au

Level 11, 1 Margaret Street  
Sydney NSW 2000  
Australia

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Beamtree Holdings Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Beamtree Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

#### Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.





**Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**BDO Audit Pty Ltd**

A stylized signature of the BDO logo, consisting of the letters 'BDO' in a cursive, handwritten style.

A handwritten signature in cursive script that reads 'Gareth Few'.

**Gareth Few**  
Director

Sydney, 14 February 2024

