

Beamtree Holdings Limited (ASX: BMT)
ASX Announcement

Sydney, 1st May 2024

Q3 FY24 Trading Update

Beamtree Holdings Limited (“Beamtree” or “the Company” or “the Group”) (ASX: BMT), a leading provider of AI decision support and data insights solutions for the healthcare sector, is pleased to release a trading and operational update for the three months ending 31 March 2024 (Q3 FY24) and for the 9 months to 31 March 2024 (“year to date” or “YTD”).

Q3 FY24 Trading Highlights:

Beamtree continues to perform in line with previously disclosed FY24 outlook guidance including delivery of revenue growth of +20% and a positive operating profit for FY24. Key highlights for Q3 FY24 were:

- ARR at end of Q3 FY24 of +\$25m up +20% year on year.
- Group revenue growth of 21% for the 9 months year to date compared to prior corresponding period (‘pcp’) of 24%.
- International revenue growth year to date was 47% as the business continues to expand its footprint in target overseas markets (the UK, Canada and Saudi Arabia).
- Continued low customer churn with renewal rates +95% across the Company.
- Operating cost growth of 12% compared to the pcp with the cost growth primarily driven by ongoing investment in products, capabilities and overseas expansion.
- Operating profit of \$0.1m in FY24 Q3 versus a \$0.5m operating loss in Q3 FY23. Beamtree remains on track to deliver a positive operating profit in FY24.
- Cash at 31 March 2024 was \$4.3m versus \$5.1m at Dec 2023, an outflow of \$0.8m in Q3 FY24 compared to an outflow of \$2.5m in Q3 FY23.
- Significant contract wins in Q3 include implementation of our Ainsoff Deterioration Index™ in the Gold Coast Hospital and Health Service and also into the Hong Kong Hospital Authority, a new international market for Beamtree. During Q3 FY24 our Diagnostic AI product, RippleDown®, was implemented in St Vincent’s Hospital Melbourne in conjunction with our partner, Abbot Laboratories.
- Operationally, Beamtree is focused on closing several large and significant contracts before the end of FY24 to deliver against its strategy to expand in its core international markets, the UK, Canada and Saudi Arabia. The Company’s strategic partnerships with Lean in Saudi Arabia and Abbott Laboratories Inc continue to provide significant opportunities and contribute to the strong FY25 and FY26 pipeline.

Outlined below are key achievements in Q3 FY24 across our four business segments.

1. **Diagnostic Technology** *(The RippleDown® software application sold to pathology customers worldwide)*

- The partnership with Abbott continues to mature with a promising sales pipeline going into Q4 FY24 and FY25.
- Beamtree secured three new Tier 1 licences (US\$32,000 per annum per licence) during Q3 FY24 (Italy, Spain and Belgium) compared to three new licences in 1H FY24 and no licences sold in Q3 FY23.
- The second co-sale agreement with Abbott has gone live with St Vincent's Hospital Melbourne.
- We are commencing our first direct contract implementation of RippleDown® in the UK, post an offline trial period.
- The combined impact of the above progress is ~\$0.5m ARR per annum.

2. **Clinical Decision Support** *(The Ainsoff Deterioration Index™ “ADI”) is a machine-learning tool used to predict the risk of patient deterioration in acute care with the software application sold to hospital customers)*

- During Q3, the implementation of ADI in Gold Coast Hospital and Health Service commenced with the aim of acting as a reference site for the rest of Queensland. ADI is also operational in hospitals in New South Wales and South Australia with programs ongoing in three other international hospitals.
- Beamtree has finalised terms with the Hong Kong Hospital Authority to implement ADI in one of their hospitals with the potential to expand to their wider ~20 hospital network after an initial 12 month.
- Beamtree remains on track to secure product regulatory approval in Europe during 2025. We are also implementing ADI in two hospitals in the UK to support this application.
- The combined ARR increase of the above customer wins is \$0.3m per annum initially.

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

- Revenue growth across our Coding segment was the strongest across our segments driven by renewals, and price growth in our core domestic markets in Australia and New Zealand and expansion in Canada and the UK. Coding also has our largest sales pipeline going into FY25.
- Beamtree is also in the final stages of contractual negotiations with a Middle East hospital provider for the audit of data quality.
- In Canada, Beamtree continue to progress the coding data quality audits for 14 hospitals in British Columbia with the target of implementing Beamtree's coding quality tool PICQ® in these hospitals in FY25.
- In the UK, Beamtree is now progressing with PICQ® driven coding audits in five hospitals in the UK.
- Beamtree is also partnering with Lean on a number of coding-related contract opportunities in the Saudi Arabian public sector, with a number of opportunities in both the proposal stage and the procurement negotiation stage.

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

- The first phase of new data platform for the Health Roundtable is now live and ingesting data with the customer facing analytics offering going live in July 2024. The Company has also commenced the FY25 subscription process with a more equitable based pricing structure and based on the new improved analytics offering.
- The Company is also in discussions around extending its analytics contract with Ability Roundtable and moving the existing product offering into Beamtree's new data platform infrastructure.
- The combined ARR increase of the above is expected to be ~\$1.0m per annum by the end of FY24.

Authorised for release by the Chair of the Board.

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

-ENDS-

About Beamtree

A leading provider of AI decision support and data insights solutions, Beamtree supports healthcare providers globally. They believe in creating a better future for health by turning data into insights and action through automation. They help solve real-world problems in healthcare by developing smart tools that aim to improve patient outcomes. Their solutions and services offer customers an unrivalled range of analytics across four key product segments:

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