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pro medicus

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# FY 2020 RESULTS PRESENTATION

August 2020

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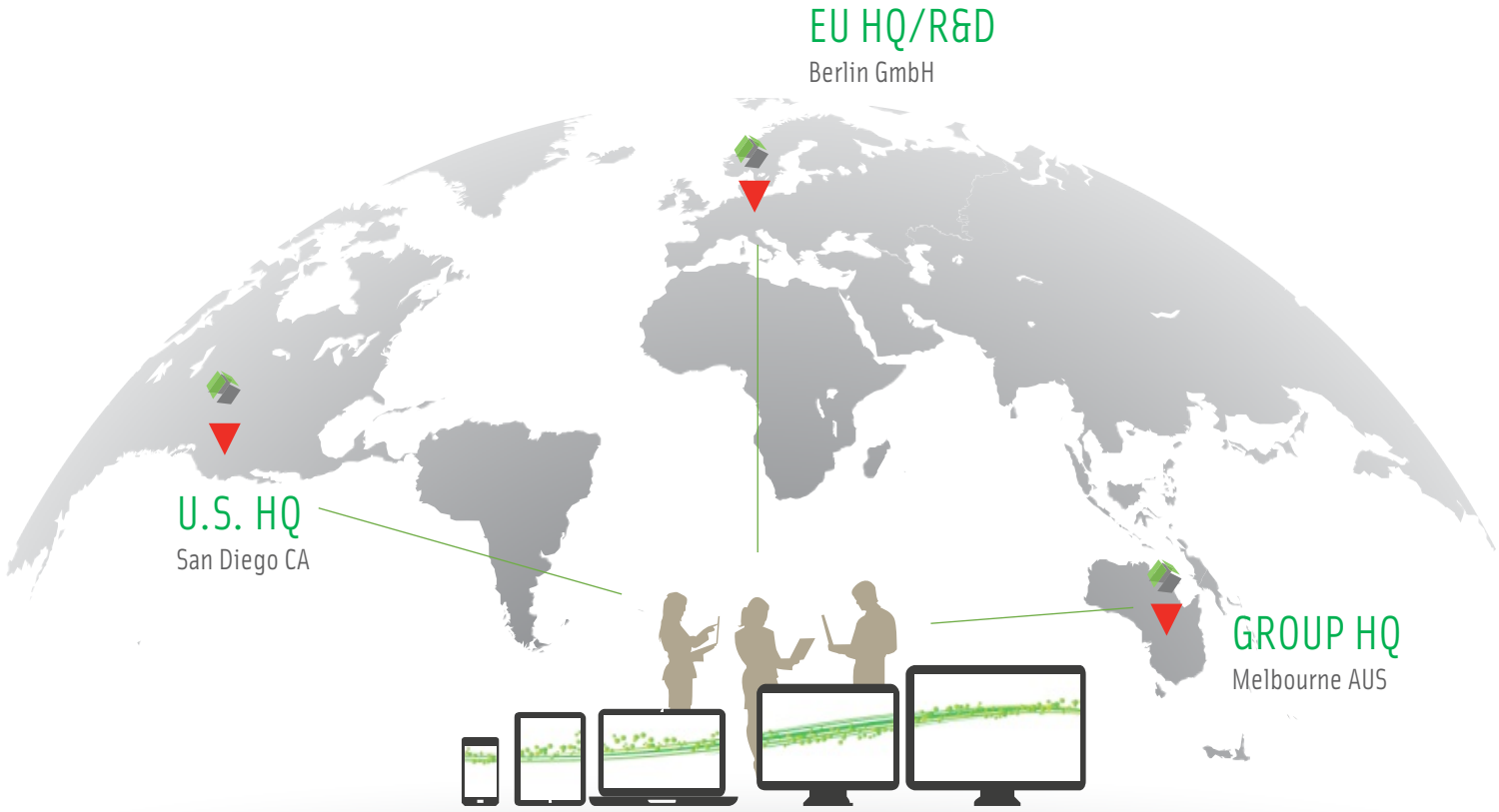
# PRO MEDICUS (ASX:PME)

Healthcare IT company specializing in Enterprise Imaging and Radiology Information System (RIS) software.

Leading edge products, growing global presence.




**OVER 40+ SOFTWARE ENGINEERS**

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# ASX:PME

## VISAGE RIS

VISAGE RIS

promedicus.net

## VISAGE 7

VISAGE 7
PRODUCT SUITE

OEM

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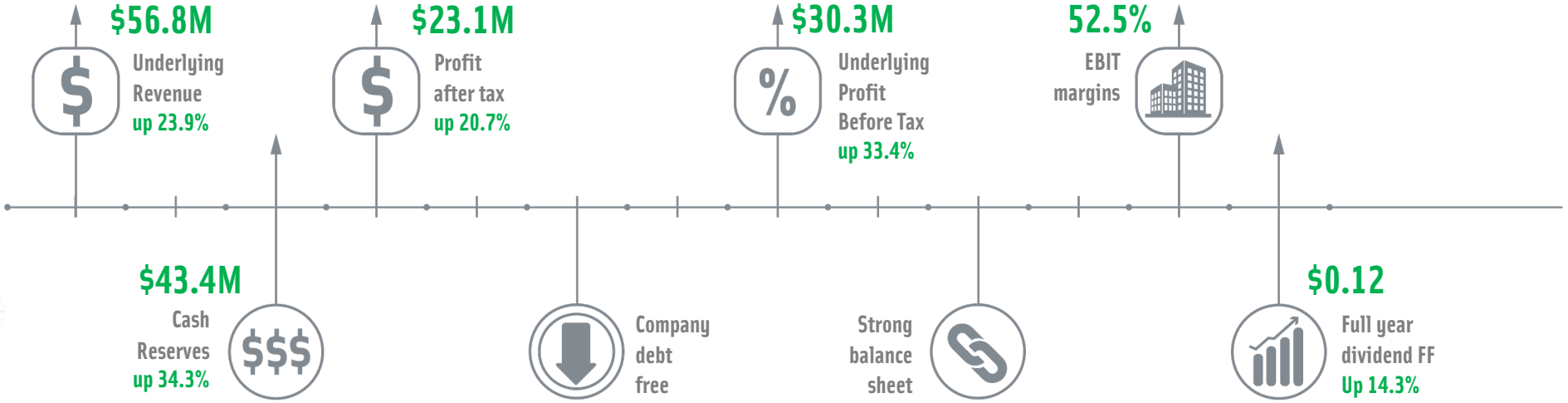
# RESULTS
# FY 2020

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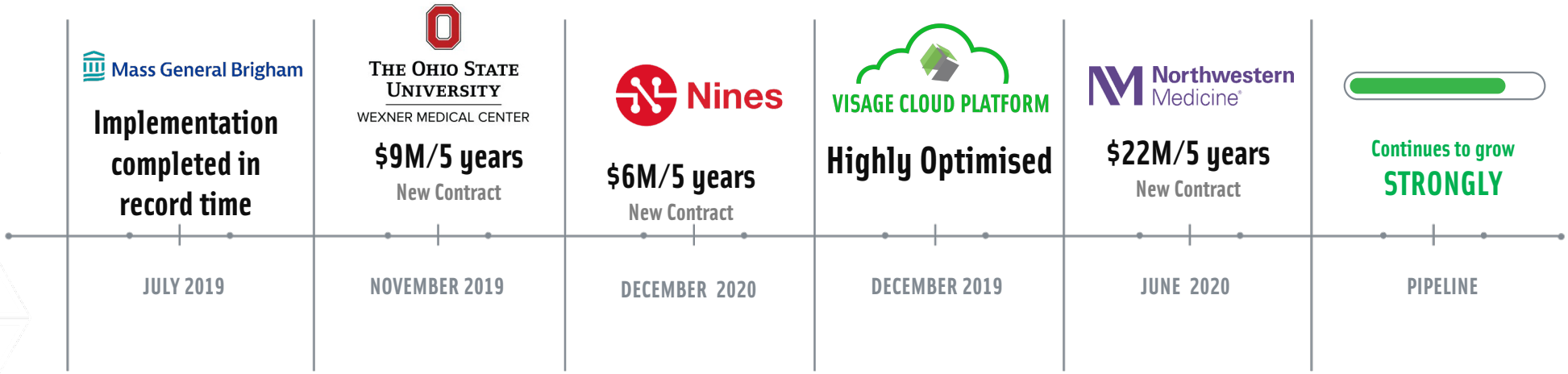
# In Review
# FY 2020

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# **FY 2020** Revenue Split

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# OPERATONAL (TRANSACTION) MODEL

- Used in vast majority of US contracts
- Delivered as SaaS model
- Now used in RIS contracts in AUS
- Model based on transaction minimums
- Forward revenue > A$210M/5 years*
- Upside as client examination volumes grow
- Annuity style revenue stream – greater predictability

*** Assumes the majority of key contracts up for renewal in years 4 & 5 are renewed**

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# EXAM (TRANSACTION) REVENUE

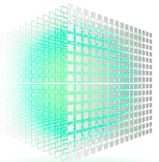
- Recurring in nature
- Increased by 31% YoY
- Growth to continue for FY 2021 (FY Duke, OSU, Northwestern & others)
- Growth from existing clients (organic and M&A) plus new clients
- Further upside with adoption of new products (VISAGE 7 Open Archive and Enterprise Imaging)

Mass General Brigham

DukeHealth

THE OHIO STATE UNIVERSITY
WEXNER MEDICAL CENTER

Northwestern Medicine®



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# PROFESSIONAL SERVICES

- Project planning, training & implementation
- Revenue spread over the length of the contract – new accounting standards (AASB 15)
- Recurring in nature ~ 10% contract value
- Will decrease as a % of total revenue as exam (transaction) revenue increases

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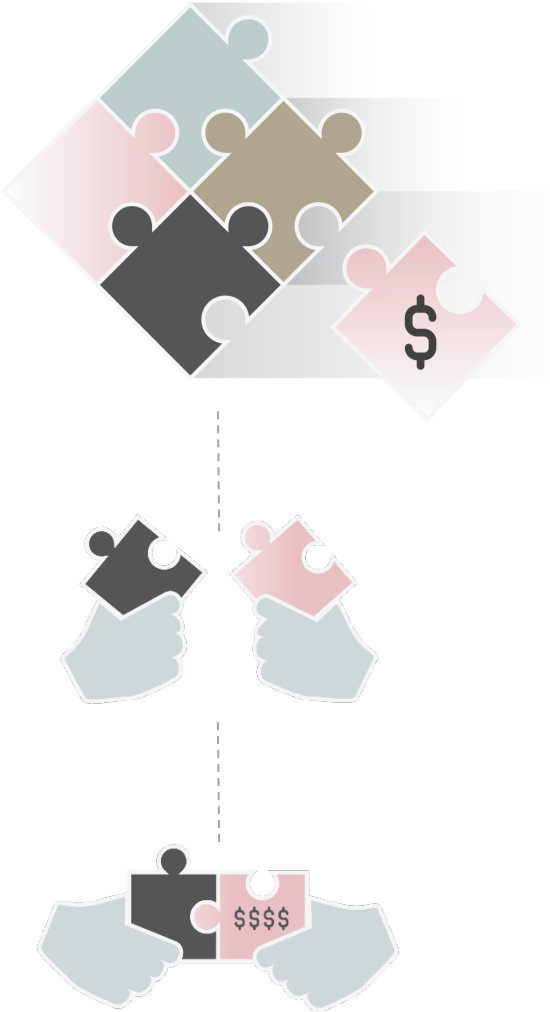
# OPERATING LEVERAGE

- Highly scalable offering
- No capex (HW) – SW only model
- Training & Installation – charged as professional services
- Contained cost base
- High operating leverage
- Margin continues to grow as footprint increases

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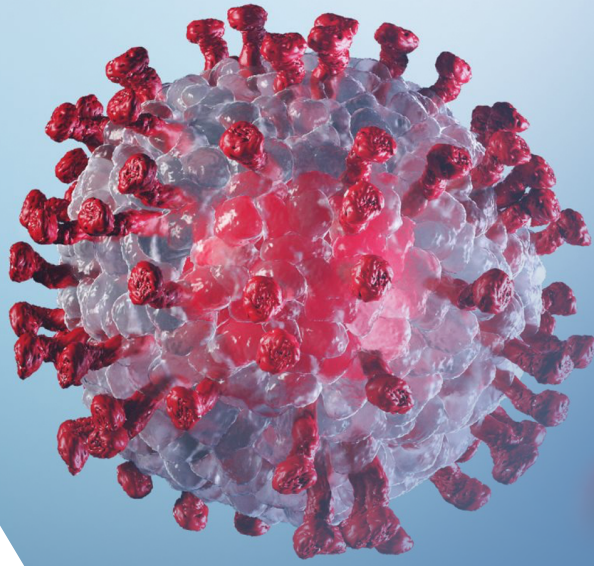
# COVID-19 - Operational



- PME/Visage transitioned to WFH in mid-March
- Able to operate at 100% capacity
- Sales and marketing efforts continued throughout
- "Thinness" of the technology enabled large scale remote demonstrations
- New opportunities despite COVID restrictions.

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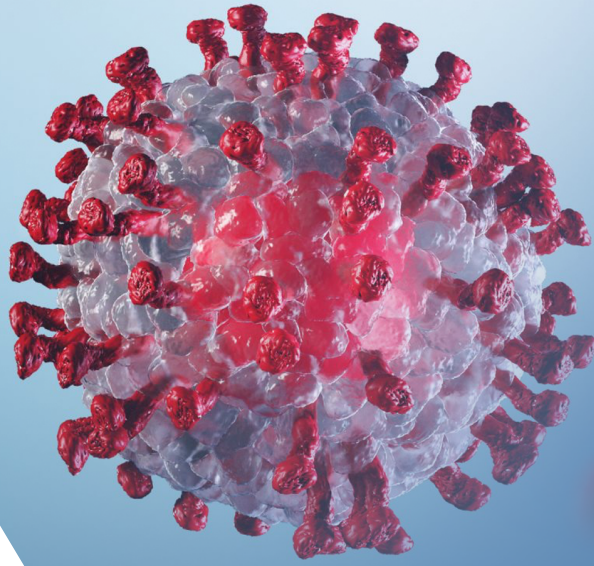
# COVID-19 – Impact



- All elective imaging deferred late in March/early April
- Some regions affected more than others
- Worst affected – volumes declined by up to 75%
- 2nd half April onwards – steady recovery in image volumes
- Most clients now at "near normal volumes" > 90% - some 100%
- Deferred examinations still need to be done - expectation of catch-up period

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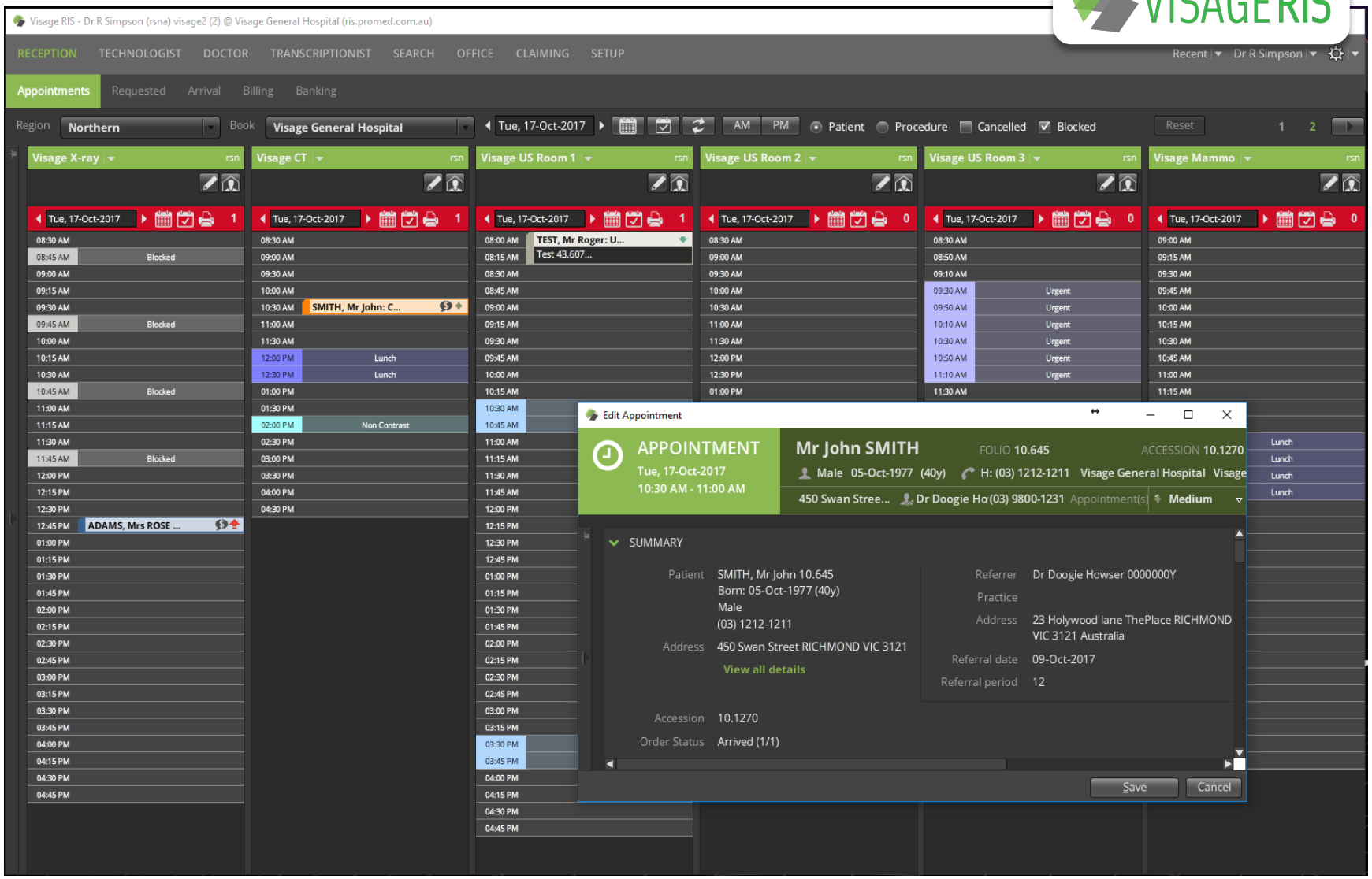
# VISAGE RIS

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# VISAGE RIS

- Long term (5 year) contracts with Primary Healthcare and I–MED, the 2 biggest radiology providers in AUS
- Combined additional revenue of $4.4M pa once fully deployed
- HIS (Healius) rollout nearing completion
- Upside via organic and M&A growth (i-med)
- Increased market interest – new opportunities
- PME undisputed market leader

VISAGE RIS

I-MED Network Radiology
Comprehensive care. Uncompromising quality.

Healthcare Imaging Services
Affordable | Accessible | Imaging

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# Visage 7.0

## Continues to be #1 in Speed, Functionality and Scalability.

SPEED

FUNCTIONALITY

SCALABILITY

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# MASSIVE DATA EXPLOSION

- High density Multi-slice CT – 10,000+ images
- HD Breast Tomosynthesis – 6 GB+
- Optoacoustic breast ultrasound – 10+ GB
- Total Body PET Scan – 10+ GB
- 7T MRI – much larger than 3T

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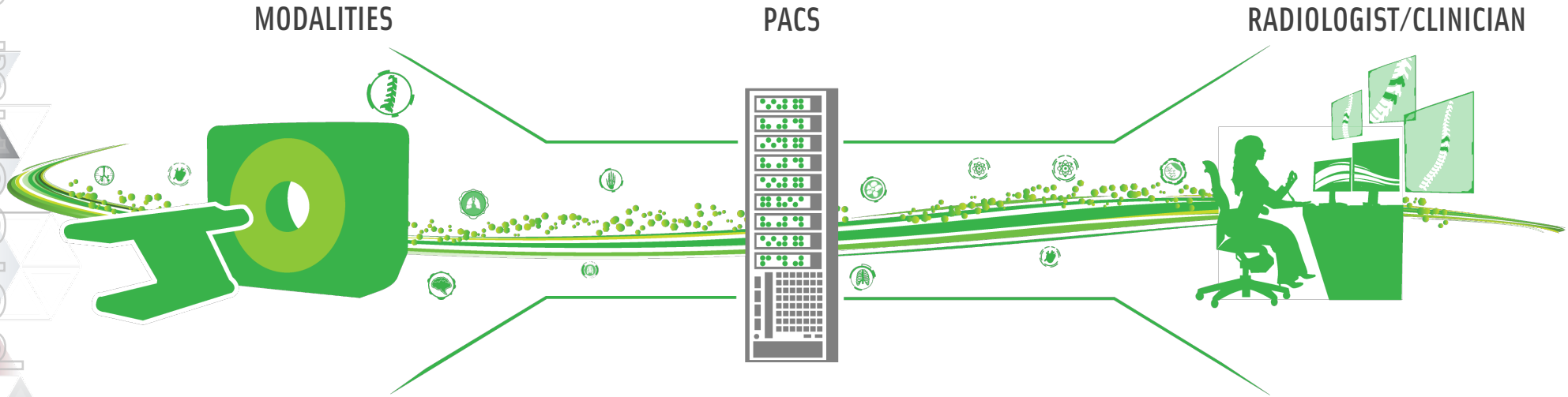
# LEGACY TECHNOLOGY

"Compress and Send"

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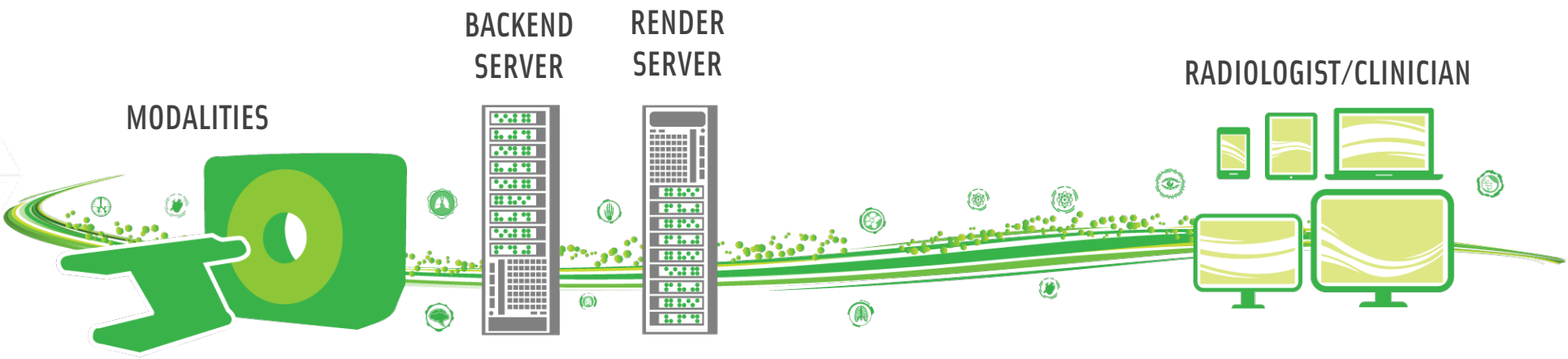
# SOLUTION:

## VISAGE 7 Streaming Technology

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# OHIO STATE UNIVERSITY
# Wexner Medical Center

- Minimum $9 Million over 5 years
- Transaction-based licensing model with upside
- Large regional hospital system
- Teaching hospital for The Ohio State College of Medicine
- Implementation completed – 100% remote

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# NINES

- 5 year - $6 Million platform deal
- Transaction based model – volumes to step up YoY
- SaaS offering based on Visage in the Cloud
- Nines team – highly respected in machine learning, AI, and radiology circles
- Leveraging the power of  modern AI to clinical settings
- Opens up new market segment for PME

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# NORTHWESTERN

- Minimum $22 Million over 5 years
- Transaction-based licensing model with upside
- Voted in the top 10 Hospitals in North America
- Teaching hospital for the Feinberg School of Medicine
- Adds to PME growing base of Tier-1 Healthcare institutions
- Implementation scheduled for Q3 FY21

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# FAST TRACK IMPLEMENTATION

- All implementations on or ahead of schedule
- Fast track methodology continues to deliver
- Large scale projects completed in under 1/4 the time of industry norm
- Delivers huge savings for client
- Frees PME staff for other jobs
- Reduces barrier to change
- OSU first 100% remote implementation
- A key differentiator of Visage offering

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# VISAGE – PROVEN ROI

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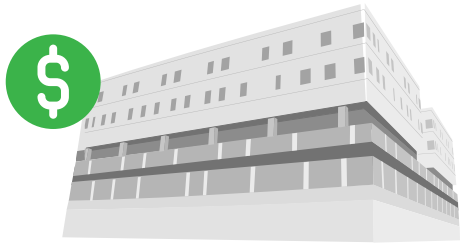
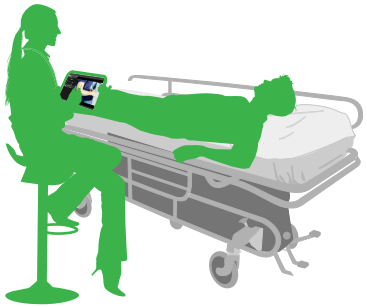


Significant IT &
Infrastructure Savings

Unparalleled Increase in
Radiologist Efficiency

Greater Clinical
Accuracy



Improved Physician
Engagement

Delivers Superior
Value Proposition

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# VISAGE – Clinical ROI

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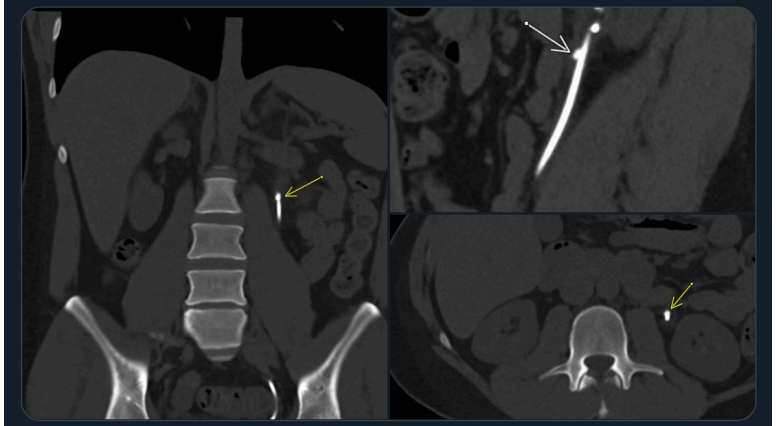
**Bharti Khurana, MD**
@KhuranaBharti

#radres please use bone window and multiplanar reformations to distinguish a stent from ureteral calculus #easytomiss #EMRad #bodyrad #Urology #emergencymedicine @ASER_ERad



10:52 AM · Aug 12, 2020 · Twitter Web App

**12** Retweets **74** Likes

**Eric Pepin PhD MD** @ericwpepin · Aug 13
Replying to @KhuranaBharti and @ASER_ERad
On some PACS (eg @Visage_Imaging), making a curved reformat of ureteral stents takes just a few seconds.

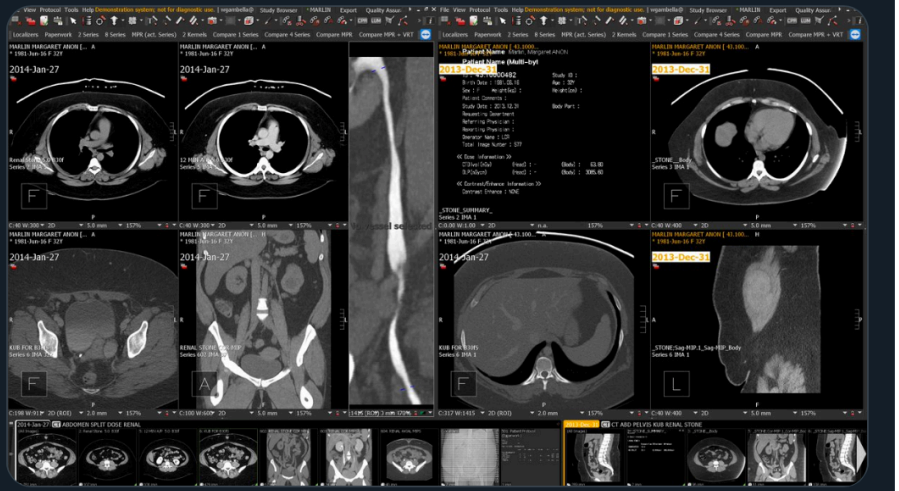
2 3

**Daniel Ortiz, MD** @danortizmd · Aug 12
Replying to @KhuranaBharti and @ASER_ERad
Great tip! I always confirm no stones on coronals on all my cts because can be easy to blow by 1-2 mm stones on axials.

4

**Visage Imaging** @Visage_Imaging · Aug 13
Thank you @ericwpepin! @KhuranaBharti and @BrighamRad @MassGenBrigham use #Visage7 and can quickly & easily create CPRs. Ex. Curved Planar Reformat (CPR) generated on-the-fly for better visualization of Rt. Urethra Obstruction @ASER_ERad

Type a message



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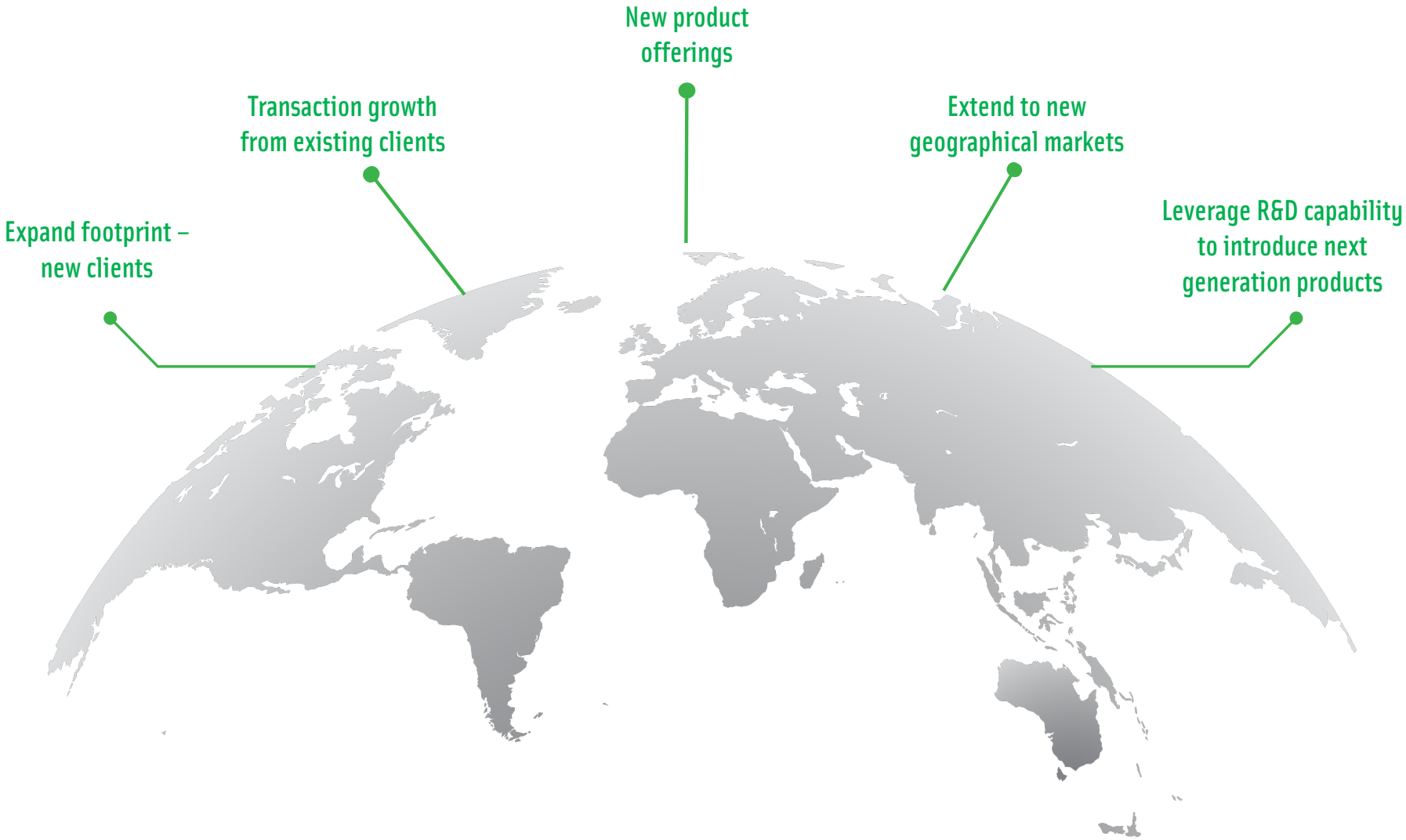
# GROWTH STRATEGY

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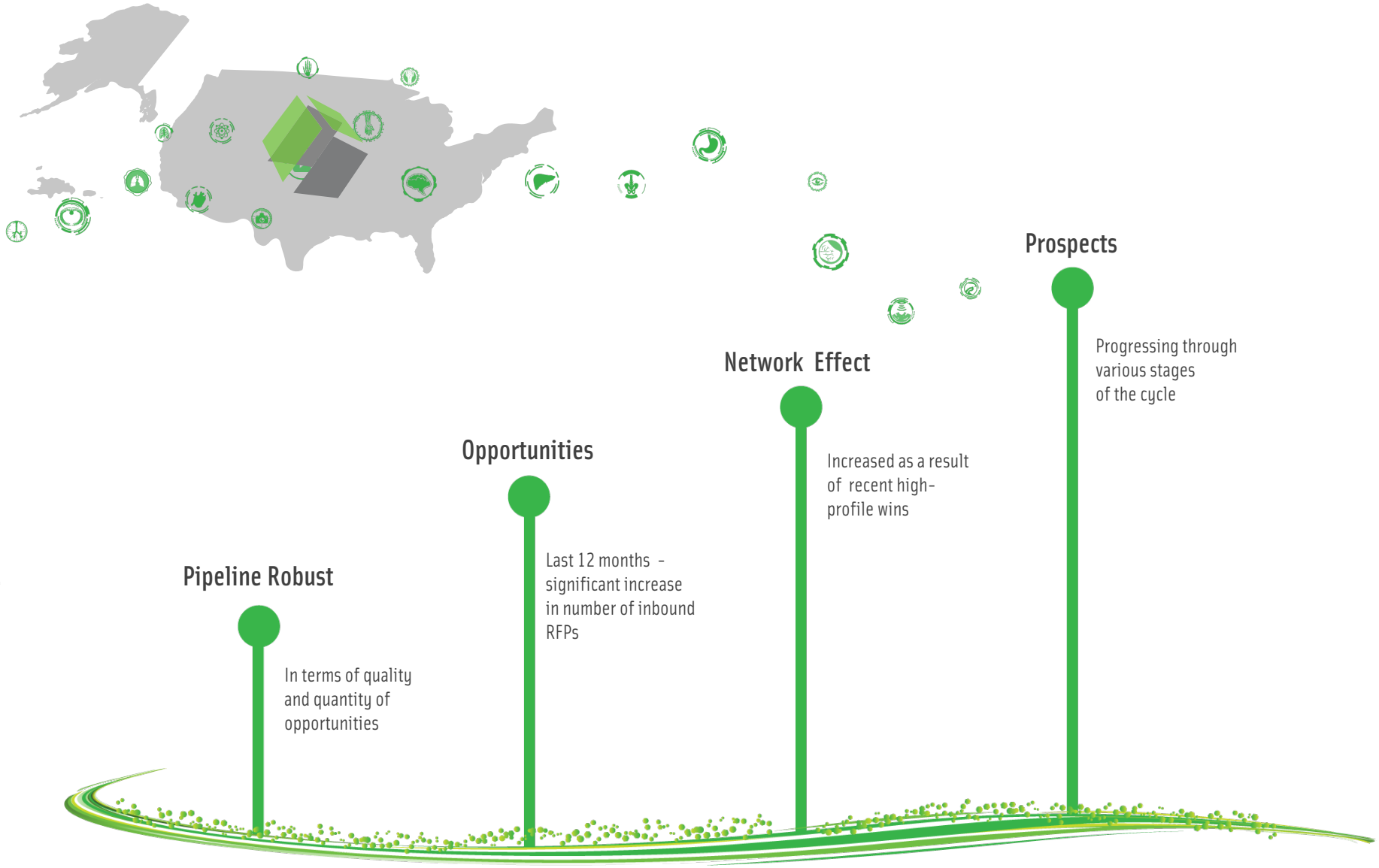
# NORTH AMERICAN PIPELINE



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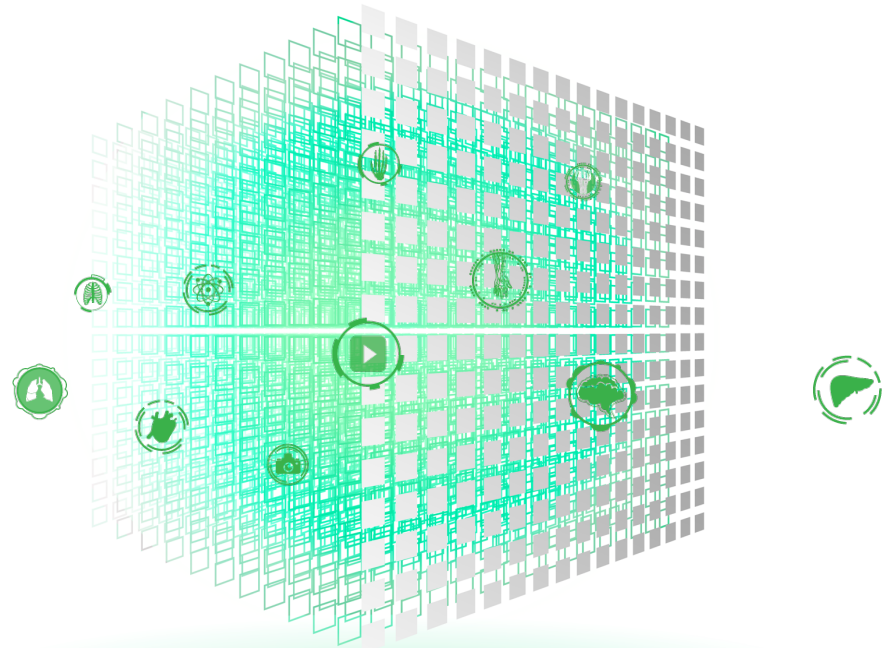
# NEW PRODUCTS

## VISAGE 7 **OPEN ARCHIVE**

- Same highly scalable enterprise imaging platform used in VISAGE 7
- Interoperable – works in complex environments
- Enables Visage to offer choice of modular or single vendor solutions
- Pipeline includes opportunities for Viewer **and** Visage Open Archive
- Well placed for North American archive market



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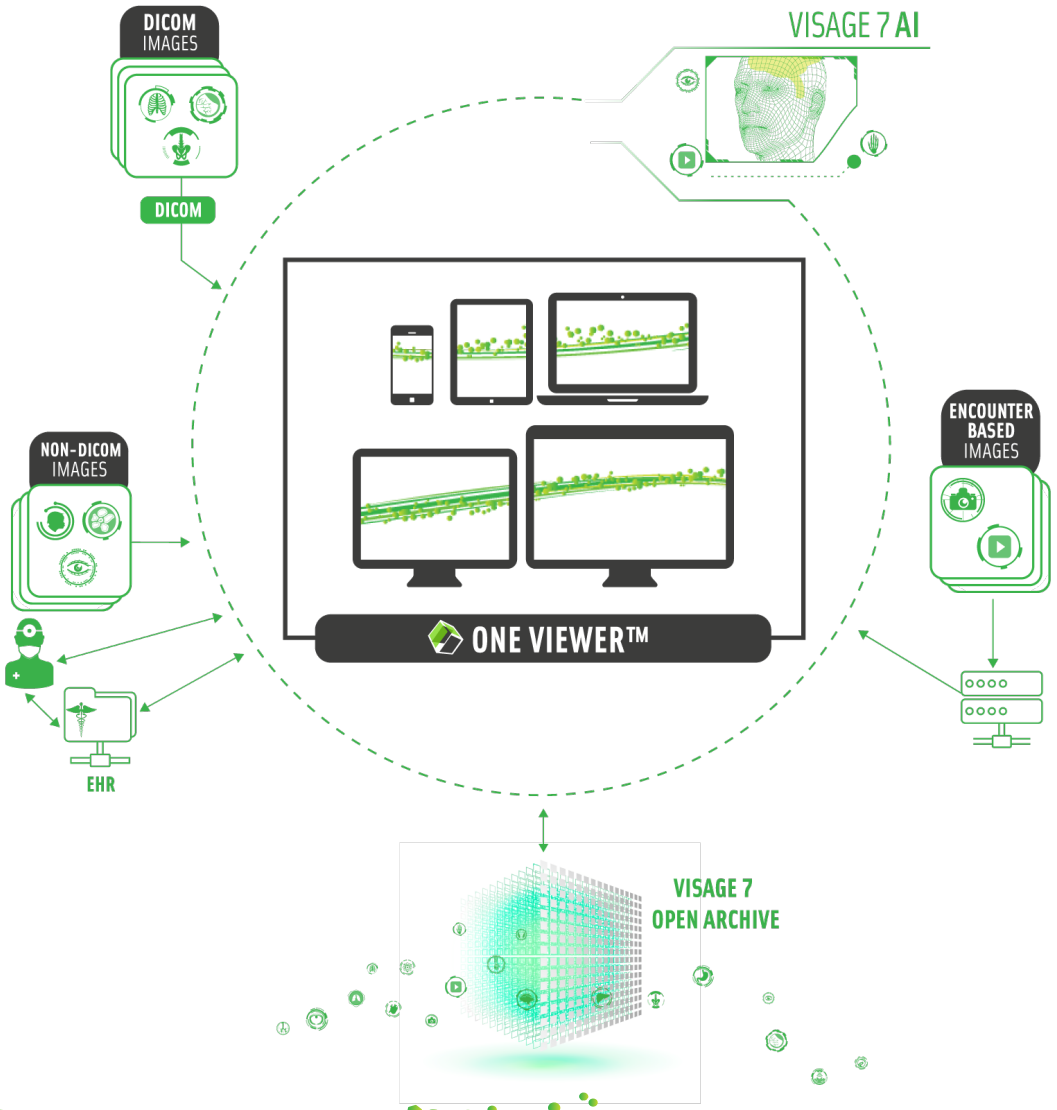
# NEW PRODUCTS

# ENTERPRISE IMAGING

- Single viewer for ALL images in the medical record (EMR)
- Radiology/Cardiology (DICOM format)
- Non-radiology– reflected light – hi-res photos & videos
- VISAGE 7 technology ideally suited
- Increases Visage value proposition
- Growth opportunities within existing contracts

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# Visage 7 WORKLIST

- Adds to V7 Viewer and Archive modules
- Based on  over 30 years experience in Worklist SW
- Allows PME to offer  single vendor solution if required
- Integral part of Visage in the Cloud SaaS solution
- Ability to interface with broad range of AI algorithms

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# VISAGE in the CLOUD

- Visage 7 - highly optimised for Cloud deployment
- Same ultrafast performance as on premise
- Full Visage 7 functionality
- Security and scale of the cloud
- Full deployment or as backup/disaster recovery
- Suitable for all size implementations
- Opens up new market opportunities

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# Visage 7

- Unique end to end solution
- Supports both research and production environments on a single platform
- Based on market leading Visage 7 technology
- Enables Visage clients to fast track AI as part of their imaging strategy

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# Visage 7

- Visage Research Server – streamlines AI algorithm development
- Optimised for AI data curation and validation
- Open API - seamless integration
- AI Ecosystem - 3rd party and Visage developed algorithms
- Joint development/commercialisation opportunities - 3rd parties and academic clients.

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# AI Research Leadership

**Malte Westerhoff**
Chief Technology Officer

**Detlev Stalling**
Head of Development

**Ming De Lin**
Clinical Research Manager
North America

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# Breast Density - AI

- 1st diagnostic AI algorithm produced by Visage
- Developed in collaboration with renown breast imaging team at Yale
- Provides "on the fly" AI assessment of breast density
- Previewed at RSNA 2019 as WIP
- Pending FDA approval
- A model for future collaboration with other academic institutions

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# SUMMARY

- Growing North American footprint
- Transaction revenue up 31% YoY
- Market leading technologies
- Growing product portfolio
- Proven implementation & support capability
- Unparalleled value proposition (Clinical and Financial ROI)
- Pipeline Continues to grow strongly.
- Visage AI-Accelerator - strategically positioned to leverage AI

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# THANK YOU

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