

Beamtree Holdings Limited (ASX:BMT)
Sydney, 27 August 2021

Record FY21 results delivers sustainable growth

Record annual results, milestone acquisition and Beamtree brand launch

HIGHLIGHTS

- Beamtree reports strongest revenue performance to date with 109% growth to \$8.9mil for financial year ending 30 June 2021
 - Group revenue grew 20% on a pro forma basis
 - New contracts and organic growth resulted in 15% increase in annualised recurring revenue (ARR) to \$6.7m pro forma
 - Recurrent revenues were at 78% of operating revenues
 - Strong cash position of \$14.1mil and zero debt
 - Operational EBITDA remains strong at 34%
 - 99% client retention rate
- Beamtree acquires healthcare technology company Ainsoff Pty Ltd for \$1m
- Beamtree launches new website: www.beamtree.com.au
- Beamtree appoints Dr Mark Britnell as chair of its new Global Impact Committee (GIC)

Beamtree Holdings Limited (formerly PKS Holdings, “**Beamtree**” or the “**Company**”), a leading provider of health data insights and health coding solutions, is pleased to release its annual results for the year ended 30 June 2021 (“FY21”).

RECORD YEAR OF FINANCIAL AND COMMERCIAL GROWTH

Beamtree’s FY2021 results reflect its strongest revenue performance to date with 20% year on year growth and 15% increase in annual recurring revenue (ARR). Group revenue grew 109% on a statutory basis and recurrent revenues were at 78% of operating revenues.

Growth in the year was driven by strong sales momentum generated by major new Australian client wins, new major international contracts, continued expansion into pathology services through major channel partners globally, and successful new releases for landmark products RippleDown® (AI decision support) and PICQ® (data quality).

The Company also secured a contract to conduct the first national data quality audit in Kingdom of Saudi Arabia (TCV \$2m), following success in Ireland and Singapore. Channel partners Abbott Laboratories and Philips enabled the expansion of RippleDown® into pathology services in several new territories. Lastly, the Company’s investment in its products delivered enhanced speed, utility and performance, which improved service delivery and volume of direct sales.

FY21 GLOBAL GROWTH

- Operating in more than 22 countries across 4 continents
- Serving customers in more than 1,000 locations, including 700 public and private hospitals
- Opening of UK office to drive international business development
- 83% growth in number of employees

The high level of renewals testifies to the value of Beamtree's services with clients. The impact of Beamtree's services on improving health outcomes and the value of care was recently highlighted by St Vincent's Health Australia (SVHA). SVHA renewed its license agreements with the Company based on a reported reduction in the number of hospital-acquired complications across its private health network by an average of 16% between FY2019-20, with the support of the RISQ™ portal.¹

Renewals for Beamtree's AI pathology services were 100%. The renewal with Philips (The Netherlands) will see the expansion of RippleDown® for use in Microbiology and in line with the Company's international channel strategy.

"We have had a remarkable year – our best financial results, expansion of our services in Australia and globally and the acquisition of Ainsoff adding world-class innovation in clinical decision support," said Tim Kelsey, Beamtree CEO. "I'd like to thank our customers for the privilege of serving them, our shareholders and our board for their leadership and support. And in what has been a challenging year for us all with COVID-19, I'd like to pay tribute to the outstanding quality and commitment of the Beamtree team."

OPERATIONAL HIGHLIGHTS

Beamtree announced a number of significant appointments during FY21, including Tim Kelsey as CEO. Tim, who started in December 2020, is internationally regarded as a leading entrepreneur and innovator in data and digital health services.

In February, the company completed a successful \$12m capital raise to accelerate growth, including research and product development, sales and marketing activities, data science, informatics and automated coding work, and global business development support.

The team has grown rapidly with more than 30 new hires in the year. Cheryl McCullagh was appointed as Chief Strategy Officer in March. Formerly CEO of the Sydney Children's Hospitals Network, Cheryl is an experienced executive director in health with a demonstrated history of operational management, technology implementation delivery and strategic planning.

In addition, international health expert Jim Birch AM joined the board of Beamtree as a non-executive director. Jim has more than 30 years' experience in implementing technological change in the healthcare industry, having previously served as Chair of the Australian Digital

¹ *An innovative and collaborative approach to improving hospital acquired complications (HACs) including an automated HACs portal* Abstract presented by Nicole Payne and Jo-Anne Thompson, St Vincent's Healthcare, to IHPA Activity Based Funding Conference 2021

Beamtree

Health Agency, Deputy Chair of the Independent Hospital Pricing Authority, CEO of the SA Department of Health, and global healthcare leader for consulting firm EY.

The Company's growth strategy builds on the unique market credentials of Beamtree, its strong client foundations and existing product strengths to offer an enterprise-wide knowledge management service. Key product innovations are the automation of clinical record classification, the new Insights Platform - a comprehensive real-time benchmarking service in Australia and internationally, and implementation of AI decision support outside pathology.

Beamtree has launched its strategic incubator program in which it is developing partnerships with major public and private health systems in Australia to develop new services.

PROFIT AND LOSS

	FY20	FY20 Proforma	FY21	Var \$	Var %
Recurring	3,810	5,929	6,586	657	11%
Non recurring	315	1,318	1,800	482	37%
Other income	147	215	554	339	158%
Total revenue	4,272	7,461	8,940	1,479	20%
Total Expenses	2,023	4,478	5,876	(1,398)	-31%
Operational EBITDA	2,249	2,983	3,064	81	3%
<i>margin %</i>	53%	40%	34%		

LAUNCHING BEAMTREE BRAND

PKS Holdings Limited (ASX: PKS) changed to Beamtree Holdings Limited following shareholder approval at the Company's Extraordinary General Meeting held on 17 August, 2021. The company's new ticker code BMT was effective on the ASX from the commencement of trading on Friday 20 August 21.

"Beamtree is a new name for a well-respected Australian pioneer as it accelerates its global reach. We believe Beamtree reflects our mission to use data to illuminate pathways to better healthcare outcomes, coupled with our focus on strong, sustainable growth," said Kelsey.

"Beamtree also emphasises our long-term commitment to innovation, delivering the clinical, economic and human imperatives that lie at the heart of best value healthcare. Beamtree echoes our values – to assist in the constant evolution and improvement of healthcare through best-in-class knowledge management, rooted in trust, accuracy, and authority."

The Company's new website is launched today at www.beamtree.com.au.

STRATEGIC ACQUISITION OF AINSOFF PTY LTD

Today, Beamtree is also pleased to announce the acquisition of Ainsoff Pty Ltd (“Ainsoff”), a clinician-led healthcare analytics company that is bridging the gap between clinical expertise and data science. The strategic acquisition is valued at \$1m through a combination of cash and shares and includes the company founders joining Beamtree, as well as three ready-for-market product applications that reduce the risk of death for seriously ill patients in hospital and automate other key clinical processes.

The three new product applications are built on the Beamtree RippleDown® platform, allowing for seamless integration into the Company’s suite of products. These products use Rippledown® decision support outside of pathology and in broader clinical practice, with one of the products recently featured in peer-reviewed journal *Critical Care Medicine* validating the trademarked methodology used for advanced warning of the risk of patient deterioration in hospital wards. Effective early warning of deterioration is a key clinical safety focus for hospitals around the world and especially in the context of the COVID pandemic.

The other two applications automate key clinical documentation processes in hospital and the delivery of critical diagnostic results to physicians to improve health system efficiency and financial sustainability.

Ainsoff’s founders, Dr Levi Bassin, a cardiothoracic surgeon at the Royal North Shore Hospital in Sydney, and Dr David Bell, a cardiothoracic trainee in the Royal Australasian College of Surgeons, will join Beamtree as senior technical and clinical advisors to drive implementation of these technologies in Australia and internationally.

“Ainsoff has designed world-class AI applications that have the capacity to transform the management of the most seriously ill patients in hospital and the quality and costs of clinical process in hospitals. This is a milestone for us as we look to serve the needs of health systems to continuously improve outcomes of patients,” said Kelsey. “The three products solve pain points that almost every hospital in the world has – improving safety and quality and the financial efficiency of services. In Australia alone we forecast a total addressable market of more than \$200m.”

“We are clinicians who have designed services we know meet the key needs of our colleagues in Australia and around the world. We have dedicated ourselves to the urgency of putting technology to work for patients and particularly the most vulnerable,” said Dr Bassin.

“Beamtree is a well-established leader in data analytics and AI decision support and we look forward to a future in which we can play our part to support the future of medicine,” said Dr Bell.

GLOBAL IMPACT COMMITTEE

Beamtree is pleased to announce the new appointment of international health service leader Dr Mark Britnell as chair of its new Global Impact Committee (GIC).

The GIC is an advisory board that will provide advice on strategies and policies, promote best practice and innovation in health data, and advance the Beamtree mission to mobilise the power of data for a healthier, happier world. The GIC will lead thought leadership programs to promote the priority of quality in healthcare and convene an annual international conference organised



by Beamtree. It will oversee programs to empower global comparison of health outcomes and pro-bono initiatives to support improvements in data quality in developing nations.

Dr Mark Britnell is one of the foremost global experts on healthcare systems and has led organizations at local, regional, national and global levels – provider and payer, public and private. He has worked in 80 countries advising on health service reform.

The full membership of GIC will be announced shortly.

-ENDS-

Authorised for the release by the Chairman of the Board.

About Beamtree

Beamtree (formerly PKS Holdings) is an Australian pioneer that works with health organisations around the world to better capture, manage and leverage human expertise. At Beamtree we make it simple for healthcare providers to access quality information, automate wherever possible and make informed decisions. Our products enable healthcare organisations to use data and insights in a continuous cycle of learning and improvement, driving quality, safety and efficiency:

- Automated clinical record coding and classification services that are the Australian standard for improving the quality of clinical data and now used internationally to support clinical outcomes and financial efficiency;
- Real time data analytic and benchmarking applications which have proven impact on reducing adverse clinical events and support best value health care;
- AI clinical decision support which automates clinical expertise to minimise data errors and provide real analysis and interpretation in more than 150 locations around the world.

For personal use only