

Beamtree Holdings Limited (ASX: BMT)

ASX Announcement

Sydney, 6<sup>th</sup> August 2024

## Unaudited FY24 Results, Strong cashflow and good FY25 outlook

**Beamtree Holdings Limited (“Beamtree” or “the Company”)** (ASX:BMT), a leading provider of AI decision support and data insights solutions for the health care sector, is pleased to release an unaudited financial summary for the financial year ending 30 June 2024 (“FY24”) and a trading update for FY24. Key highlights include:

- Double digit revenue growth (21%) in FY24 driven by international revenue growth of 47% and customer renewals continuing at +95%.
- Cost growth in FY24 was 12% year on year due to strong cost management whilst allowing ongoing investment in international expansion and key software product development.
- Moved into profitability in FY24 with an operating profit of \$0.4m, an 129% increase versus the prior year loss of \$1.4m as the Company continues to focus on profitable growth.
- Delivered cashflow break even in second half of FY24 with cash at 30 June 2024 of \$5.0m versus \$5.1m at 31 December 2023.
- Significant customer and contract developments in FY24 include:
  - a \$3.6m contract with Middle East’s largest private hospital group, Dr Sulaiman Al Habib Medical Service Group (“HMG”).
  - a +\$1.0m contract with Lean in Saudi for development of an integrated coding platform which is expected to be installed in 1H FY25 in its first site.
  - Award of our first recurring revenue sale in Saudi for our coding product PICQ worth ~\$0.5m.
  - Further development of our presence in UK with establishment of 8 strategic partnerships and agreement for a proof-of-concept AI based clinical coding product with Milton Keynes University Hospital.
  - Our hospital coding contracts in Canada increased from 10 to 14 hospital as a precursor to introduction of our PICQ software this year.
  - Continued momentum with our distribution agreement with Abbott Laboratories Inc. with a ~25% increase in licence numbers and revenue increase of ~40% year on year.
  - Our AI based deterioration index is now live in four hospitals (3 in Australia and 1 in Hong Kong) and is being trialled in an additional two hospitals in the UK.
  - Completion of the upgrade to our major new analytics platform for the Health Roundtable which has been followed by a national contract with Te Whatu Ora (New Zealand Health) for analytics and benchmarking services and an agreement with The NHS Confederation to explore the formation of an NHS analytics and knowledge network in the UK leveraging this new platform and Beamtree’s experience of managing the Health Roundtable network in ANZ.

### Unaudited Financial Summary for FY24

The table below summarises the unaudited financial results for the operations of Beamtree Holdings Limited and all its subsidiaries (together “Beamtree” or “the Company”) for the 12 months to 30 June 2024.

Overall Beamtree has delivered another year of double-digit revenue growth combined with significant profitability improvement. The pipeline for FY25 is strong across all products and core geographies and price increases are being passed through where appropriate.

(\$M)	FY23 Actual	FY24 Actual	Change
Annual recurring revenue (ARR)	22.8	25.5	12%
Recurring revenue	21.8	23.7	9%
Non recurring revenue	<u>1.0</u>	<u>3.9</u>	<u>290%</u>
Revenue	22.8	27.6	21%
Total operating expenses	<u>(24.2)</u>	<u>(27.2)</u>	<u>12%</u>
Operating profit (note 1)	(1.4)	0.4	129%
Reported EBITDA	(1.2)	(0.5)	58%
Cash at 30 June	8.8	5.0	(3.8)

Note:1 Operating profit/loss is revenue less operating expenses (including property lease costs) and excludes FX gains or losses, share based payments and any non-operating expenses including restructuring, transaction costs and fair value adjustments which are treated as non-operating expenses.

Increased scale and prudent cost control have resulted in a positive operating profit and cashflow ahead of expectations. The Company enters FY25 with a strong cash balance of \$5m with sufficient cash to fund the business.

CEO of Beamtree, Tim Kelsey, commenting on the results, said: “Beamtree has had a record year of growth in FY24 – especially in Saudi, the UK and Canada. It has excellent sales momentum moving into FY25 and we remain confident of achieving our forecast of ARR \$60m by the end of 2026.”

## Outlook

Beamtree enters FY25 with a strong pipeline of opportunities across all its markets and products. The significant non-recurring growth achieved in FY24 of +290% represents work performed to generate substantial recurring software sales across all product lines.

Expectations remain high for material procurement contracts in the Middle East for PICQ and the new Integrated Coding Platform (ICP), UK for ADI, PICQ, RippleDown and Knowledge Networks, Canada for PICQ, as well as continuing opportunities in ANZ for PICQ, ICP, ADI, Health Roundtable and RippleDown.

The Company will continue to focus on delivering profitable growth and carefully managing investment required to support overseas expansion which supports the long-term aim of delivering annual recurring revenue of \$60m by the end of 2026.

The Company expects continued revenue growth of +20%, further improving its gross margins and delivering positive cash flow in FY25.

## Release of Annual Report

Beamtree will be publishing its Annual Report on 27<sup>th</sup> August 2024.

**-ENDS-**

Authorised for release by the Chair of the Board.

For further information, please email [investor@beamtree.com.au](mailto:investor@beamtree.com.au)

## 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.