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imexHS

Built by physicians for physicians

FY20 Result

26 February 2021



Innovative provider of cloud-based medical imaging software solutions

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Agenda

1. **FY20 Result Overview** – Dr German Arango, CEO
2. **About IMEXHS** – Dr German Arango, CEO
3. **FY20 Financial Overview** – Reena Minhas, CFO
4. **Strategy & Outlook** – Dr German Arango, CEO



FY20 Result Overview

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FY20 Financial Highlights

Sales Revenue of

$10.9m

Up 41% yoy[1], new contract wins & renewals

Recurring revenue of

$8.5m

Up 29% yoy[2]

ARR of

$10.1m

Up 19% yoy, 33% higher on a constant currency basis

Closing cash of

$10.8m

$7.1m at 31 Dec 2020

EBITDA of

($1.3m)

Improvement of $3.3m, $2.5m on like for like basis[3]

Underlying EBITDA[4] of

($0.7m)

Improvement of $3.8m, $3.0m on a like for like basis[3]

1. Sales revenue up 59% on a constant currency basis
2. Recurring revenue up 45% on a constant currency basis
3. Adjusting for the impact of software capitalisation policy adopted in FY20
4. Refer Slide 20 for Underlying EBITDA reconciliation
5. FY20 results are preliminary / unaudited

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FY20 Operational Achievements

STRONG MOMENTUM IN CORE MARKETS

- Strong sales of *Aquila in the Cloud* with 41 deals signed and ARR contribution of $945k as at 31 Dec 2020
- Solid demand for customised AQUILA 3.0 solution despite COVID-19
- COVID-19: Substantial recovery in imaging volumes in the December quarter but some delay in decision-making by large hospitals

GEOGRAPHIC EXPANSION ON TRACK

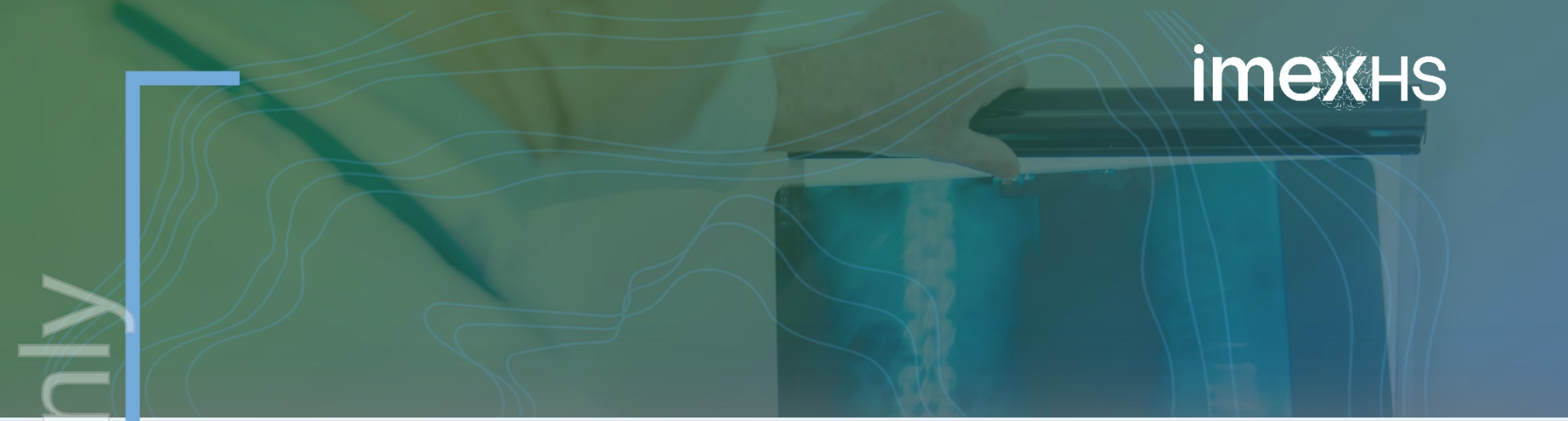
- Significant progress in new markets, first US customer signed
- Certification in Brazil and European Union
- Partners Program and online marketplaces open new distribution channels
- Strategic alliances with Vital Images Inc, AG Mednet and Entelai Pic

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FY20 Software Development

- Redesigned **Aquila** with multi-tenant architecture to create the new business model, *Aquila in the cloud*
- AQUILA 3.0 customized solution enhanced with intuitive interface, improved user experience, advanced tools
- Improvement of **Alula**'s performance with a new streaming technology WSI (whole slice imaging)
- **Stella AI** engine has been enriched with new algorithms, like the new chest CT algorithm for the detection of viral pneumonia, COVID-19 pneumonia and ARDS (Acute Respiratory Distress Syndrome)
- New functionalities for **Braviz** including functional MRI rendering and dynamic tractography DTI
- **Establish strategic alliances** with Vital Images Inc, AG Mednet and Entelai Pic to extend the features and functions available on the AQUILA platform

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About IMEXHS

Expanding global footprint



15 countries

>250 sites

>2,100 radiologists

23 distributors

1/3 of team in software development

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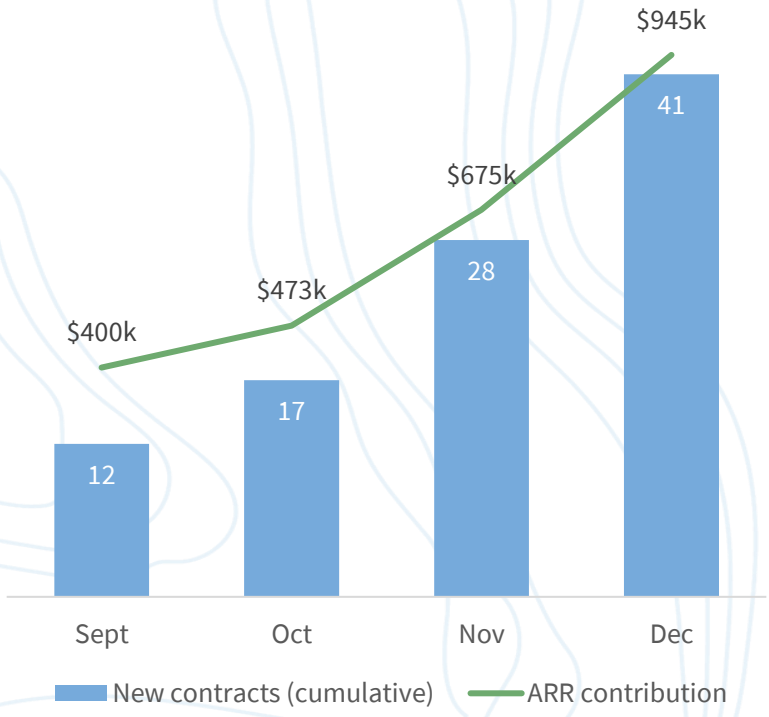
Leading innovator in medical imaging

- **Next Generation multi-modality cloud-based** medical imaging software with over 250 sites globally
- **Subscription model** with high recurring revenue from multi-year contracts
- **Multiple distribution channels** across 15 countries including Australia, USA & Brazil
- **Scalable, modular HIRUKO™ platform** provides solutions for all complexity levels
- **Aquila in the Cloud** standardised radiology solution democratising access to world-class imaging software
- **Developing AI tools** from our large proprietary image database (940m stored images)

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Aquila in the Cloud

- Aquila in the Cloud, standardised radiology solution, launched in May 2020
- Provides small and medium-sized customers with low-cost, rapidly deployed product offering
- At 31 Dec 2020, 41 deals signed with ARR contribution of $945k. This has increased to 48 deals at 24 Feb 2021
- Distribution via growing partner network and online marketplaces
- Strong pipeline of new opportunities



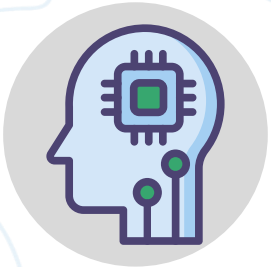
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Our competitive advantage



ACCESSIBILITY

- Fully web & cloud-based
- Teleradiology accessed from any device or browser
- Rapid deployment



CAPABILITY

- Single platform and archiving system
- Multi-tenant architecture
- Medical imaging portfolio
- Innovative AI tools



FLEXIBILITY

- Multi-modality
- Scalable modular solutions for all complexity levels
- Multiple distribution channels



AFFORDABILITY

- Lower cost base than competitors
- Attractive price point

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HIRUKO™ medical imaging platform

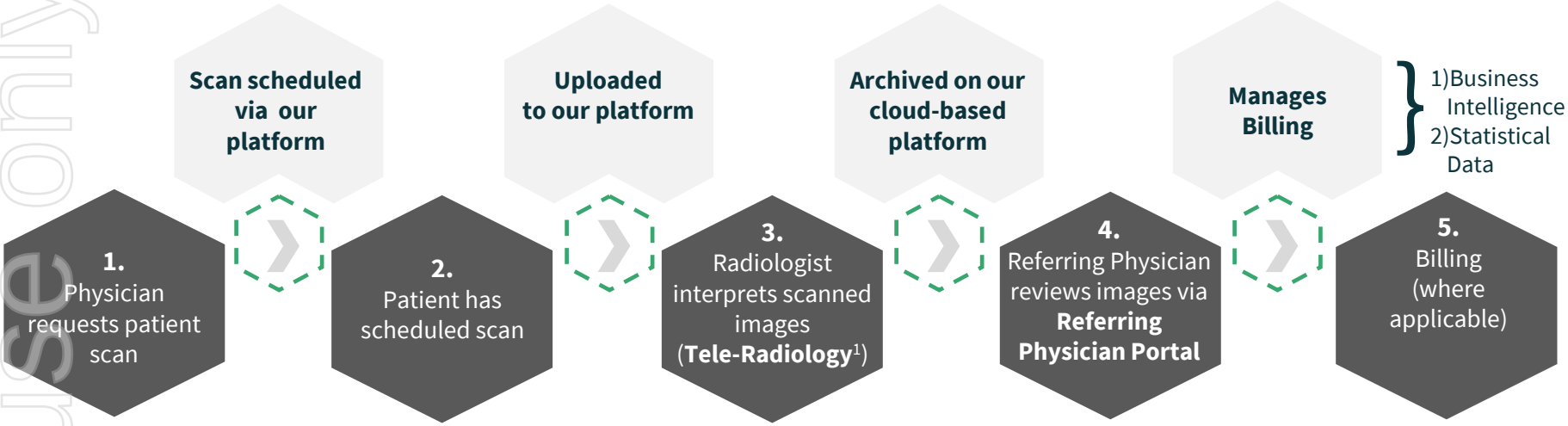


Advanced Post-processing	**Stella** AI	**Vital** 3D ADv	**Alma** 3D Basic	**Braviz**
Enterprise Imaging	**Aquila** Radiology	**Alula** Pathology	**Anteros** Cardiology	
Core Platform	**HIRUKO™** PACS/VNA	Universal Viewer	Portals	**Multi-Tenancy**
			Nuance 360	

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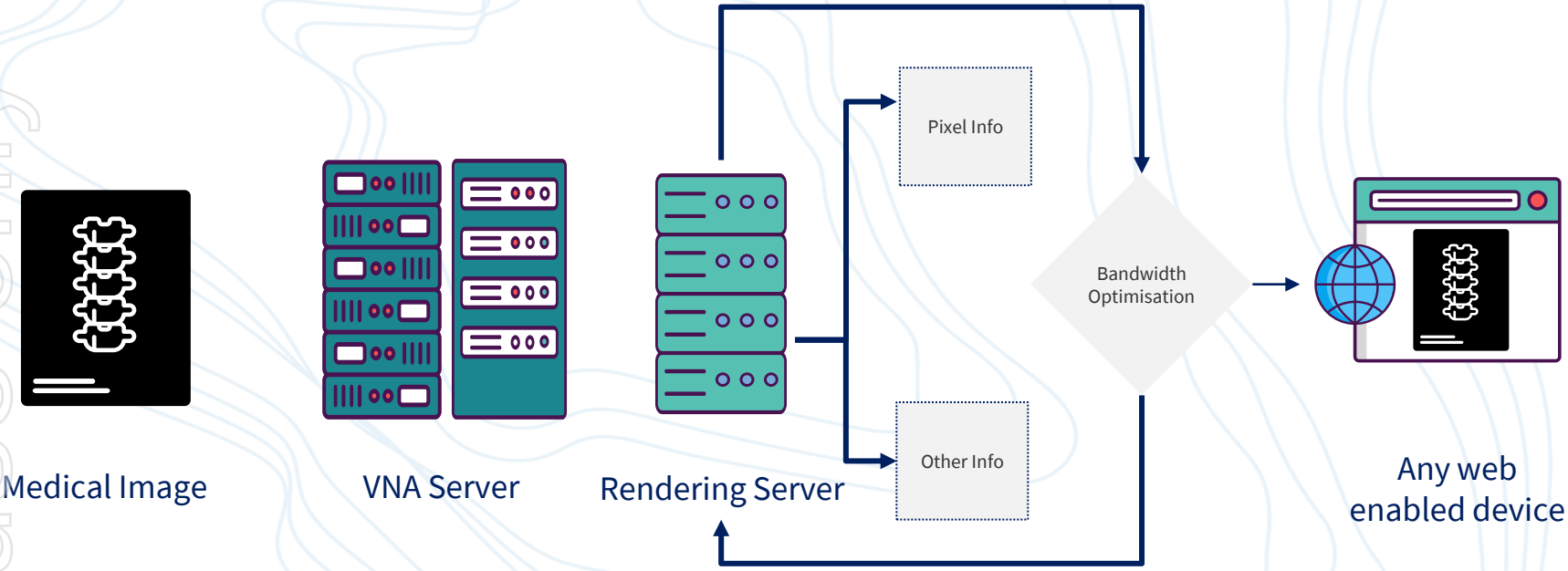
*Components in blue represent IMEXHS proprietary technology

End-to-end modular imaging solution



[1] Teleradiology - radiology concerned with the transmission of digitised medical images (as X-rays, CT scans, and sonograms) over electronic networks and with the interpretation of the transmitted images for diagnostic purposes

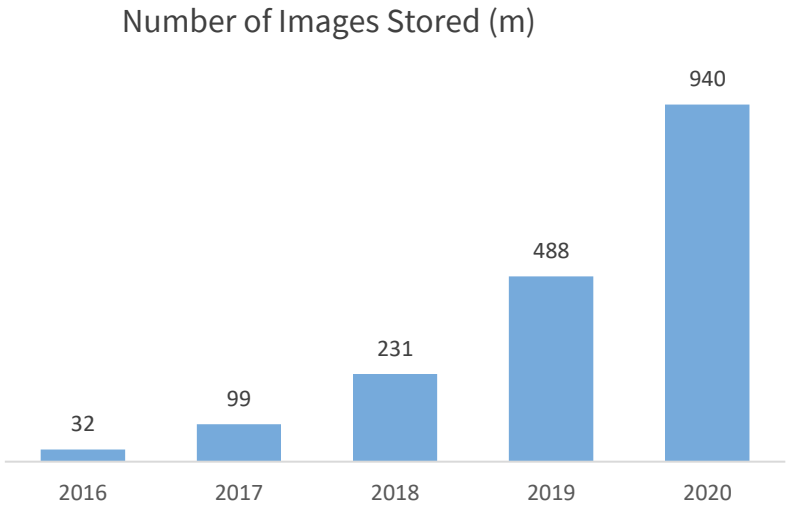
Advanced streaming technology



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Developing AI capabilities

- Images almost doubled to 940m reflecting full year of Colsubsidio contract
- Important test bed for the development and training of AI tools
- Developed Stella AI which identifies normal and pathological radiological patterns in chest x-rays
- Released non-imaging AI tools in natural language processing



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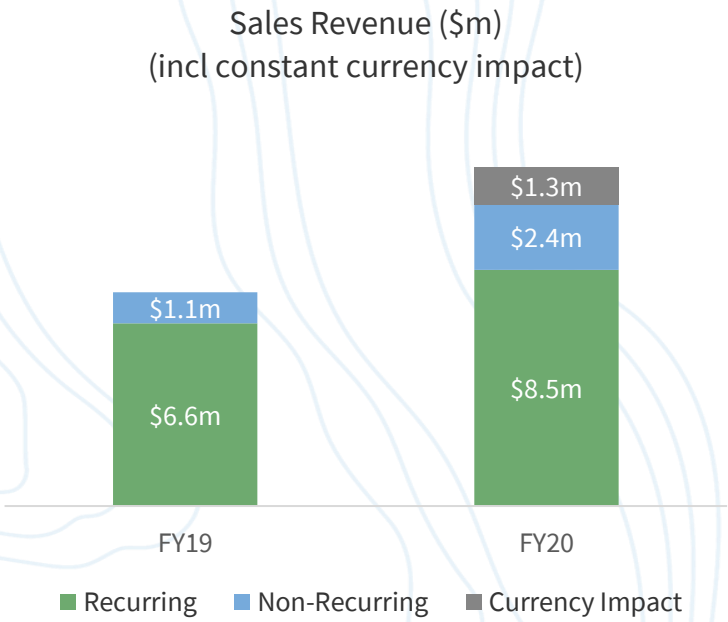
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FY20 Financial Overview

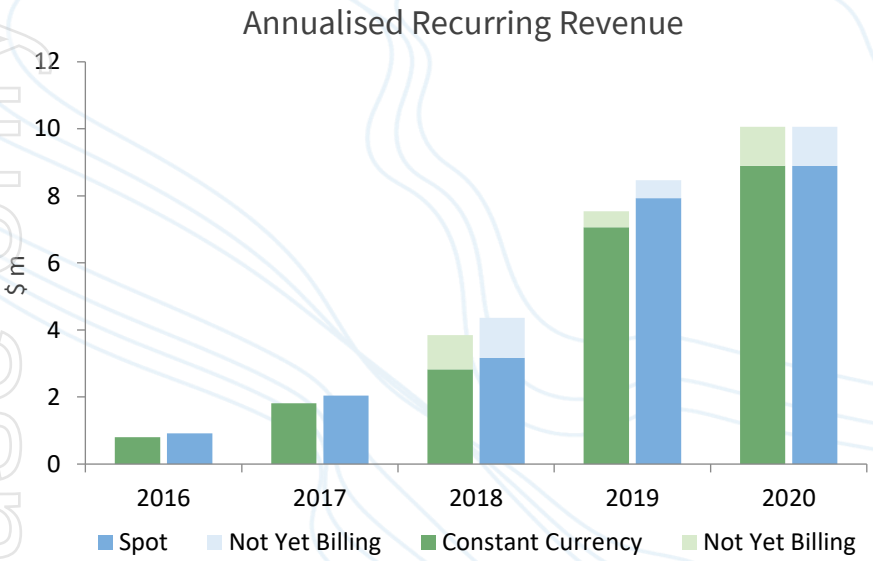
Strong growth in sales revenue

- Revenue of $10.9m, up 41% (59% on a constant currency basis) due to new contract wins and renewals
- Recurring revenue of $8.5m, up 29% (45% on a constant currency basis)
- Strategic focus on driving subscription revenue growth across key markets

	Reported Currency FY20 $'000	Constant Currency FY20 $'000	FY19 $'000	Reported Currency Change	Constant Currency Change
Recurring Revenue	8,541	9,551	6,603	29%	45%
Other Sales Revenue	2,371	2,709	1,124	111%	141%
	10,913	**12,261**	**7,727**	**41%**	**59%**



Strong growth in ARR



- Annual Recurring Revenue (ARR) of $10.1m, up 19% yoy (33% on constant currency basis)
- Recent contract wins include Gables Radiology in the US, Keralty (Colombia), and Laboratorios Santa Maria (Mexico)
- Contract renewals and extensions include National Police Hospital in Bogotá (Colombia) and Corominas y Castillo (Mexico)

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Underlying EBITDA Improvement

$'000	FY20	FY19	Var	Var %
Recurring revenue contracts	8,543	6,603	1,940	29%
Other sales revenue	2,371	1,124	1,247	111%
Other revenue	88	12	76	644%
Total revenue	11,002	7,739	3,263	42%
Operating Expenses	(14,530)	(13,782)	(748)	(5%)
NPBT	(3,528)	(6,043)	2,515	42%
Depreciation & Amortisation	1,024	826	198	24%
Net Finance Expenses	1,185	593	592	100%
EBITDA	**(1,319)**	**(4,624)**	**3,305**	**71%**
FX & Share Based Payment Expenses	630	127	503	397%
Underlying EBITDA*	**(689)**	**(4,497)**	**3,808**	**85%**

* Underlying EBITDA improvement of $3.8m excludes impact of software capitalisation of $805k which commenced in FY20

- Total revenue of $11.0m, up 42%
- Operating expenses of $14.5m reflect increased investment in sales and marketing and establishment of US operations
- EBITDA loss of $1.3m improved by 71%
- Underlying EBITDA loss (excludes the impact of FX and share based payments) of $0.7m, 85% improvement yoy

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Balance Sheet

$'000	Dec 20	Dec 19
Cash	10,796	7,150
Trade & other receivables	5,056	3,654
Inventories	390	107
Current assets	16,243	10,911
Non-current assets	4,562	3,887
Total assets	20,804	14,797
Trade & other payables	2,382	1,425
Other current liabilities	2,076	2,229
Current liabilities	4,459	3,654
Non-current liabilities	809	827
Total liabilities	5,268	4,481
Net assets	**15,536**	**10,317**

- Cash on hand of $10.8m
- Increase in Trade & Other Receivables due to strong sales in the last quarter
- Net assets of $15.5m

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Summary Cash Flow

$'000	FY20	FY19
Net cash used in operating activities	(1,467)	(4,090)
Net cash used in investing activities	(2,187)	(2,460)
Net cash flow from financing activities	7,405	11,280
Effects of exchange rate	(105)	(25)
Net cash movement	3,752	4,705
Cash at the beginning of the year	7,150	2,445
Cash at the end of the year	10,796	7,149

- From 1 Jan 2020, IMEXHS capitalised software development expenses resulting in lower operating outflows for development
- Payments for intellectual property reflected capitalised development costs of $805k for FY20
- Capital raising of $8.3m was completed on 22 October 2020
- Cash at 31 December of $10.8m

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Strategy & Outlook

INDUSTRY TRENDS: Healthcare IT sector

- Large, rapidly growing but highly fragmented global medical imaging sector
- Increasing use of radiological techniques in wider clinical applications, demand for central storage of images
- Chronic global radiologist shortage driving demand for teleradiology
- Increased proportion of the value chain coming from AI
- Shift from client server architecture to fully web-based cloud solutions

STRATEGIC PRIORITIES: Benefiting from industry tailwinds

- 'Land & expand' strategy with multiple verticals including cardiology and pathology, VNA capability
- *Aquila in the Cloud* low touch deployment model for small clinics
- Geographic expansion across multiple markets, leverage specialist distributors
- Teleradiology solution allows radiologists to access images from any device or location
- Large AI image library and radiology services drive development of AI tools

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2021 Product Roadmap

AQUILA 4.0 with new features and functions orientated to US and Australian markets

Alula Marketplace, the world's first dedicated pathology marketplace workflow program

Other medical verticals

- Dental Imaging platform
- Veterinary Information System

AI Algorithms

- Automatic detection and segmentation of lung areas with consolidation and ground glass opacities on CT scans
- Automatic selection from a radiologist worklist and posterior rendering of functional MRI and DTI tractography

Democratising access to high-tech medical imaging platforms

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FY21 Outlook

- **Aquila in the Cloud (AiC) –** Leverage distribution partners to convert strong interest across all markets
- **US –** build presence with AiC offering and via online marketplaces
- **New markets –** open office in Brazil and explore opportunities in EU

- **2021** trading to date in line with Company expectations
- Improved outlook for key markets despite second waves of **COVID-19**
- On track to achieve monthly run rate **EBITDA breakeven** by December 2021

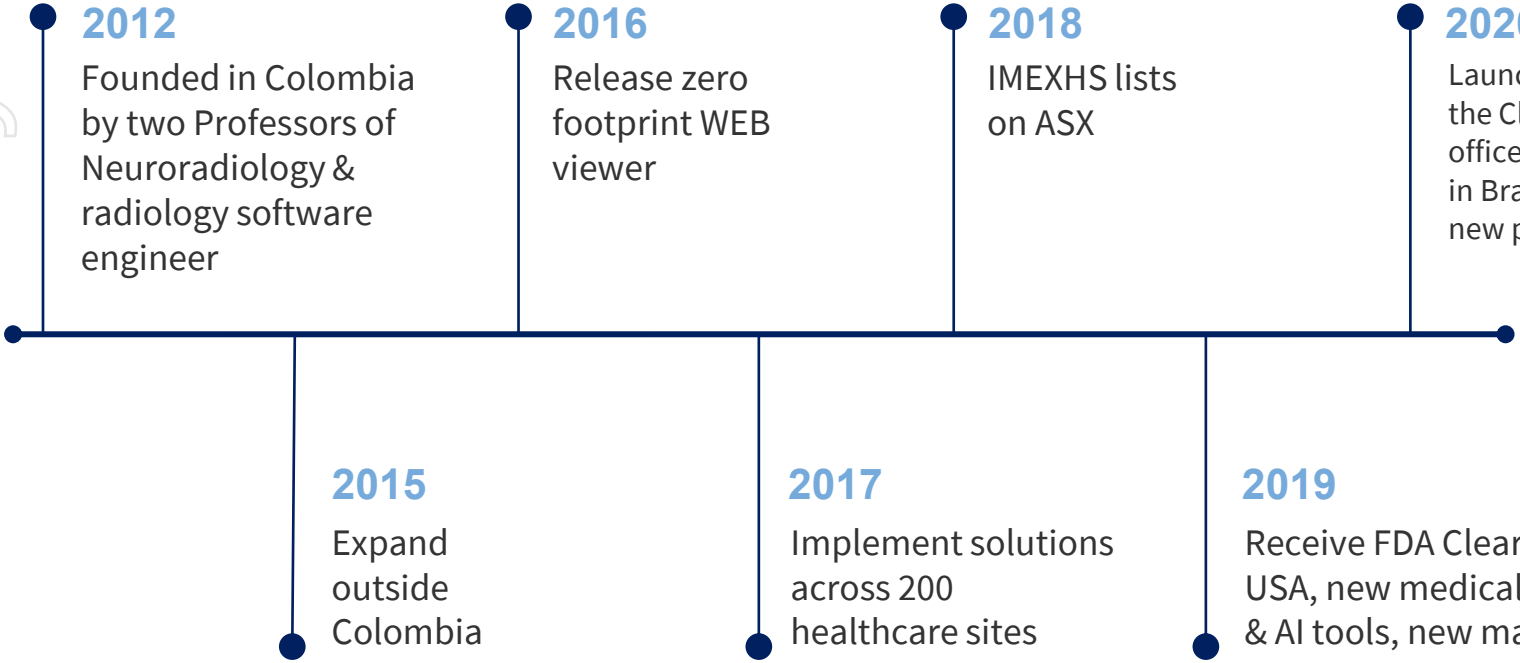
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Appendix

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Built by physicians for physicians



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Significant global opportunity

RIS/PACS

2018 **US$2.7bn**

2027 **US$5.0bn**

7.4% CAGR

- Global market is valued at US$2.7bn
- Estimated to grow at 7.4% CAGR
- Projected global RIS/PACS market of $5.0bn in 2027
- This only captures Radiology Imaging Systems
- Further upside from other medical specialities

Source: "PACS and RIS Market to 2027 - Global Analysis and Forecasts By Product, Component, Deployment, End User, and Geography" by ResearchAndMarkets.com

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Our customers



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Glossary

Artificial intelligence (AI) tools aid the interpretation of radiological images which require access to large image databases and digital workflows

Cloud-based usually refers to an application or service available via the internet, hosted by any major public cloud provider

Cloud marketplace is an online channel that allows Cloud Service Providers (from different industries) to offer their business solutions to potential customers

DICOM is an international standard used to transmit, store, retrieve, print, process and display medical imaging information & allow interoperability between manufacturers

Medical verticals are market segments that refer to specific diagnostic departments within hospitals (e.g. radiology, pathology, cardiology)

Multi-modality refers to the support of multiple types of medical images such as CAT Scan, MRI, X ray, Ultrasound

Multi-tenant architecture is a manner in which an application can be deployed in a cloud-based environment to offer multiples instances of a product within a single service

Non-DICOM are clinically significant patient records such as jpeg, pdf, video

Streaming technology transfers medical images from our VNA to our Web Viewer, reducing the waiting time of the radiologist or referring physician

Teleradiology refers to scanned images (readings) which are managed digitally allowing interpretation to be performed by radiologists in other locations

Vendor Neutral Archiving (VNA) allows PACS systems to store all patient records (DICOM & non-DICOM)

Web viewer is built on top of web technologies to run on major web browsers

Zero footprint allows radiologists to diagnose images from any device (Mac, PC, tablet, smart phone), anywhere & on any web browser

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Thank You

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