

Company Announcement Pro Medicus Limited full-year results

18 August 2021

HIGHLIGHTS

- Revenue \$67.9m – up 19.5%
- Underlying profit before tax \$42.6m – up 41.0%
- Net profit \$30.9m – up 33.7%
- Cash and other financial assets \$61.8m – up 42.4%
- Company remains debt-free
- Fully-franked final dividend 8c per share (total for the year 15c per share)
- Record number of new contracts announced during the period
- First FDA approved AI algorithm

Leading health imaging company Pro Medicus Limited [ASX: PME] today announced a net profit of \$30.9 million for the 12 months to the end of June 2021, an increase of 33.7% on the previous corresponding period. Revenue for the period was \$67.9 million, up 19.5%. Underlying profit before tax was \$42.6 million, up 41.0%.

The currencies of the countries in which Pro Medicus operates were volatile during the year. On a constant currency basis, revenue would have been \$73.98 million, up 30.2%, and underlying profit before tax would have been \$46.93 million, up 56.3%.

The company recorded significant revenue growth in all three of its key jurisdictions: North America (up 18.0%), Australia (up 23.4%) and Europe (up 25.7%).

The company's cash and other financial assets at 30 June 2021 were \$61.8 million, 42.4% higher than at the end of the previous year. The company remains debt-free.

Pro Medicus announced a final fully-franked dividend of 8c per share, taking total dividends for the year to 15c per share.

Pro Medicus won the following contracts during the year:

- **NYU Langone Health** (A\$25.0m, 7-year deal), a large tier 1 academic hospital system in New York, USA
- **Zwanger-Pesiri - Renewal** (\$8.5m – 5-year deal)
- **LMU Klinikum** (A\$10.0m, 7-year deal), one of the largest university hospitals in Germany
- **Medstar Health** (A\$18.0m, 5-year deal), the largest health system in Maryland and Washington DC, USA
- **Intermountain Healthcare** (A\$40.0m, 7-year deal), the largest health system in Utah, USA

- **University of California** (A\$31.0m, 7-year deal), including all five academic campuses: UCLA, UCSD, UCSF, UC Irvine and UC Davis
- **University of Vermont** (A\$14.0m, 8-year deal), a large teaching hospital in Vermont, USA

In addition, the company signed Research Collaboration Agreements with NYU Langone Health and Mayo Clinic, two of the most prestigious academic healthcare institutions in North America. These agreements provide a framework for collaboration to facilitate development and commercialisation in the field of Artificial Intelligence (AI), leveraging Pro Medicus' Visage AI Accelerator platform.

Pro Medicus Limited CEO Dr Sam Hupert said COVID-19 restrictions had minimal impact on the company's operations, with sales and implementation activities at an all-time high during the year.

"It was our most successful year by any measure," he said. "All of our key financial metrics headed in the right direction. We foreshadowed a step-up in revenue this year despite currency headwinds and lower numbers in the first quarter due to COVID restrictions and we have delivered on that. Margins continued to increase as did our cash and other financial assets. It was also our biggest year in terms of both sales and implementations, laying the foundation for a further step-up in exam volumes in FY22".

Pro Medicus completed five major implementations during the year, all on or ahead of schedule – Ohio State University (OSU) in August 2020, LMU Klinikum in December 2020, Northwestern in May, NYU Langone in June and Medstar Health in June/July. "Notably, we completed all of our scheduled implementations working either on-site or remotely depending on the prevailing restrictions at the time" Dr Hupert said. "The Medstar Health implementation was a hybrid – half remote and half on-site. It's really up to the client but based on what we saw at Medstar we see the hybrid model as the optimal one going forward."

Dr Hupert said four of the six new contracts signed during the year were cloud-based. "We see the definite swing towards cloud as a huge strategic advantage since Visage 7 was built from the ground up to be cloud-native." He said the two research collaboration announcements with NYU Langone Health and Mayo Clinic, as well as FDA clearance for the company's Breast Density AI Algorithm, represented opportunities for the company to build on its position in the AI space.

Dr Hupert said more clients were choosing to buy multiple products, including LMU Klinikum (viewer and archive) and Medstar Health (viewer, archive and worklist) and Intermountain (viewer and archive) a trend he saw continuing.

"Although we had a record year in terms of new contracts, our pipeline remains very healthy both in terms of quality and quantity. There is a good mix across the spectrum of opportunities; some cloud, some on-premise, some academic and some in the non-academic-IDN space as well as in the for-profit and private sector."

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Pro Medicus will host a webcast conference call on Wednesday 18 August at 11am (AEST) to discuss the full-year results. The link below allows attendees to register, dial in and ask questions during the Q&A session.

<https://services.choruscall.com.au/webcast/promedicus-210818.html>

Authorised by the Board of Pro Medicus Limited.

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About Pro Medicus Limited:

Pro Medicus Limited [ASX: PME] is a leading medical imaging IT provider. Founded in 1983, the company provides a full range of radiology IT software and services to hospitals, imaging centres and health care groups worldwide. In late January 2009, the company announced the purchase of Visage Imaging, which has become a global provider of leading-edge enterprise imaging solutions, pioneering the best-of-breed, or Deconstructed PACS® enterprise imaging strategy. Visage 7 technology delivers amazingly fast, multi-dimensional images streamed via an intelligent thin-client viewer. The company offers a leading suite of RIS, PACS and e-health solutions constituting one of the most comprehensive end-to-end offerings in radiology. Pro Medicus has global offices in Melbourne, Berlin and San Diego.

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