

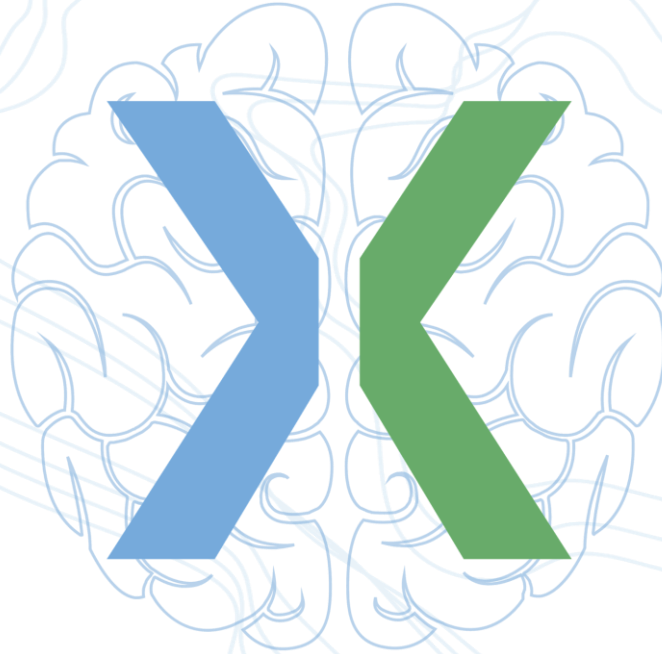
Internal use only



Built by physicians for physicians

**1H FY21 Results**

30 August 2021



Innovative provider  
of cloud-based, AI  
medical imaging  
software solutions

# Expanding global footprint



**15 countries**

**310 sites**

**2,100+ radiologists**

**25 distributors**

**~95%  
customer retention**

**38  
software engineers**

# Agenda

1. **1H FY21 Results Overview** – Dr German Arango, CEO
2. **1H FY21 Financials** – Reena Minhas, CFO
3. **Strategy & Outlook** – Dr German Arango, CEO

# 1H FY21 Results Overview

# 1H FY21 Financial Highlights



## Sales Revenue

**\$5.2m**

Up 15% yoy (up 25% on a constant currency basis)

## Recurring revenue

**\$4.9m**

Up 15% yoy (up 25% on a constant currency basis)

## Annual Recurring Revenue

**\$12.7m**

Up 44% yoy (up 57% on a constant currency basis)

## Closing cash

**\$8.3m**

\$10.8m at 31 Dec 2020

## EBITDA

**(\$2.1m)**

vs (\$1.3m) in 1H FY20 due to increased investment in operations

## Underlying EBITDA<sup>1</sup>

**(\$1.4m)**

vs (\$0.8m) in 1H FY20

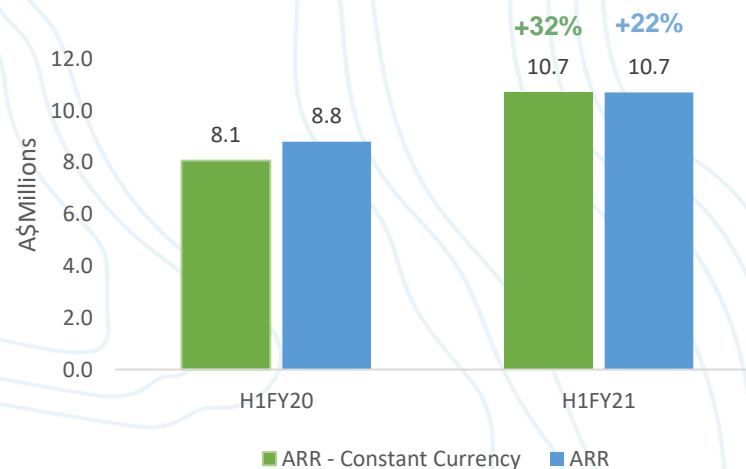
1. Refer Slide 11 for Underlying EBITDA reconciliation
2. Constant currency basis assumes FY21 results are converted at the average foreign exchange rate for FY20. This removes the impact of changes in currency rates and allows comparison of IMEXHS's underlying operating performance.

# Aquila Custom



- Customised solutions for radiology, includes hardware and reporting if required
- Enterprise imaging platform tailored to a customer's specific needs
- Dedicated to large university hospitals and multi-site healthcare organisations
- Average contract length – 5 years
- 73 customers – up 30% vs pcip
- 3.75m studies – up 50% vs pcip
- ARR growth from both existing customer volume growth and new customers
- ARR of \$10.7m, up 22% vs pcip (32% on a constant currency basis)

Annualised Recurring Revenue (\$m)

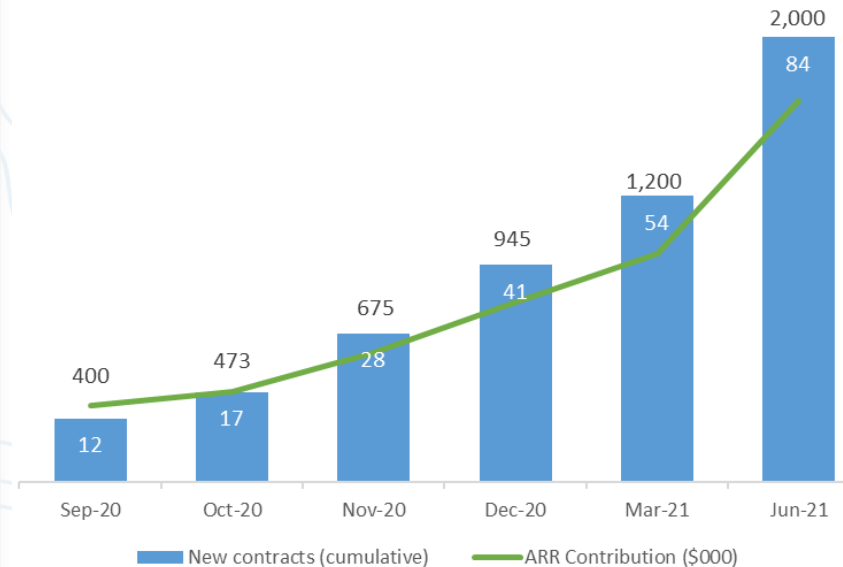




# Aquila in the Cloud (AiC)



- Standardised radiology solution launched in May 2020
- Provides small and medium-sized customers with low-cost, rapidly deployed product offering
- At 30 June 2021, 84 deals signed with ARR contribution of \$2.0m
- 6 deals in the US and 4 in Australia
- Distribution via growing partner network (generated 65% of AiC sales in Q2) and online marketplaces
- Strong pipeline of new opportunities



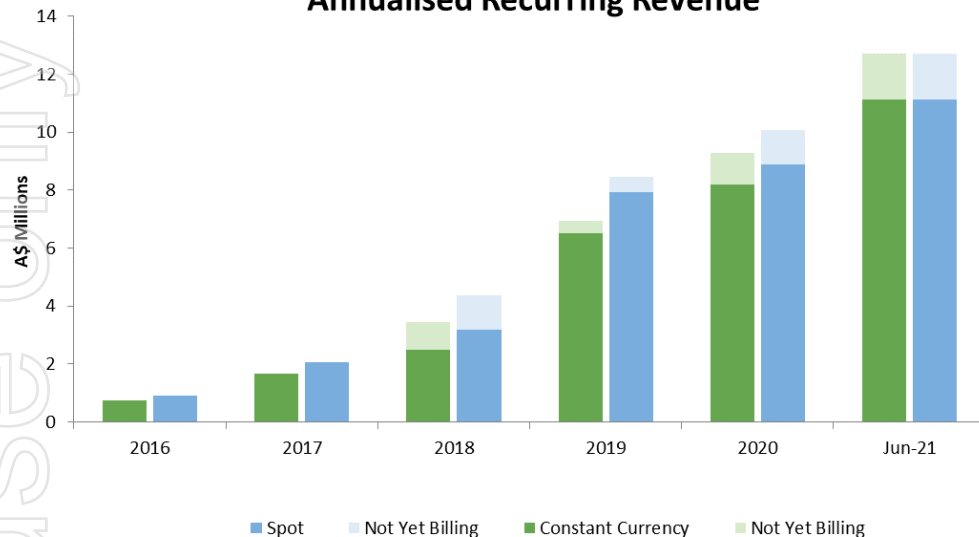


# 1H FY21 Financials

# Strong growth in ARR



Annualised Recurring Revenue



Constant currency basis assumes that historic results are converted at the 30 Jun-21 exchange rate. This removes the impact of changes in currency rates and allows comparison of IMEXHS's underlying operating performance.

## ARR as at 30 June 2021

- \$12.7m, up 44% vs pcp (57% on a constant currency basis)
- Includes \$2.0m from Aquila in the Cloud (AiC) - 84 contract wins including 6 in the US and 4 in Australia

# Income Statement



\$'000	1H FY21	1H FY20	Var	Var %
Revenue	5,159	4,492	667	15%
Other revenue	74	79	(5)	(6%)
<b>Total revenue</b>	<b>5,233</b>	<b>4,571</b>	<b>662</b>	<b>14%</b>
Expenses	(8,008)	(6,933)	(1,075)	16%
<b>Net profit before tax</b>	<b>(2,775)</b>	<b>(2,362)</b>	<b>(413)</b>	<b>17%</b>
Depreciation & amortisation	538	515	(23)	4%
Net finance expenses	96	545	(449)	(82%)
<b>EBITDA</b>	<b>(2,141)</b>	<b>(1,302)</b>	<b>(839)</b>	<b>64%</b>
FX & share-based payment expenses	379	476	(97)	(20%)
One-off costs	400	-	400	-
<b>Underlying EBITDA</b>	<b>(1,362)</b>	<b>(826)</b>	<b>(536)</b>	<b>65%</b>

- Revenue of \$5.2m, up 15% with 94% recurring revenue
- Total expenses of \$8.0m, up 16% on pc, reflect increased investment in sales and marketing, expanding operations in Australia and US and one-off acquisition related costs
- Finance expenses lower due to repayment of related-party loan in the prior year
- Underlying EBITDA loss excludes the impact of FX, share-based payments and one-off costs in relation to the RIMAB acquisition

# Balance Sheet



\$'000	Jun 21	Dec 20	Jun 20
Cash	8,342	10,796	6,293
Trade & other receivables	4,609	4,059	3,191
Inventories	197	390	470
Current assets	13,148	15,245	9,954
Non-current assets	5,849	5,559	3,704
<b>Total assets</b>	<b>18,997</b>	<b>20,804</b>	<b>13,658</b>
Trade & other payables	1,940	2,383	837
Other current liabilities	1,972	2,076	3,230
Current liabilities	3,911	4,459	4,067
Non-current liabilities	1,431	809	1,061
<b>Total liabilities</b>	<b>5,342</b>	<b>5,268</b>	<b>5,128</b>
<b>Net assets</b>	<b>13,655</b>	<b>15,536</b>	<b>8,530</b>

- Strong financial position with closing cash of \$8.3m and net assets of \$13.7m at 30 June 2021
- Total debt of \$1.0m
- Intangible assets increased by \$0.5m during the six months, primarily reflecting the continued investment in software development during the period

# Summary Cash Flow



\$'000	1H21	1H20
Net cash used in operating activities	(1,566)	(1,063)
Net cash used in investing activities	(1,207)	(980)
Net cash flow from financing activities	361	1,219
Effects of exchange rate	(41)	(33)
<b>Net cash movement</b>	<b>(2,454)</b>	<b>(856)</b>
Cash at the beginning of the year	10,796	7,150
Cash at the end of the period	8,342	6,294

- 1H FY21 operating outflows up \$0.5m reflecting increased investment in sales and marketing, expanding operations in Australia and the US and one-off costs in relation to proposed acquisition of RIMAB
- Net cash used in investing activities includes capitalised development costs of \$630k for 1H FY21

## Strategy & Outlook

# Global market opportunity



## RIS/PACS Market<sup>1</sup>

**2019**      **US\$2.8bn**

**2027**      **US\$5.4bn**

**8.5% CAGR**

- IMEXHS's main market is currently Colombia, third largest LATAM country
- 85% of AiC deals from outside Colombia
- US accounts for ~40% of the global radiology imaging systems (RIS) and PACS market valued at US\$2.8bn
- Florida market is >3x the size of the Colombian market<sup>2</sup>
- Further upside from other medical specialities

1. Source: "PACS and RIS Market to 2019-2027 - Global Analysis and Forecasts By Product, Component, Deployment, End User, and Geography" by ResearchAndMarkets.com

2. Source: 2020 GDP estimates from [www.statista.com](http://www.statista.com)



## INDUSTRY TRENDS: Healthcare IT sector

Large, 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 **Artificial Intelligence (AI)**

Shift from client server architecture to **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**

# 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
- Ophthalmology



## 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

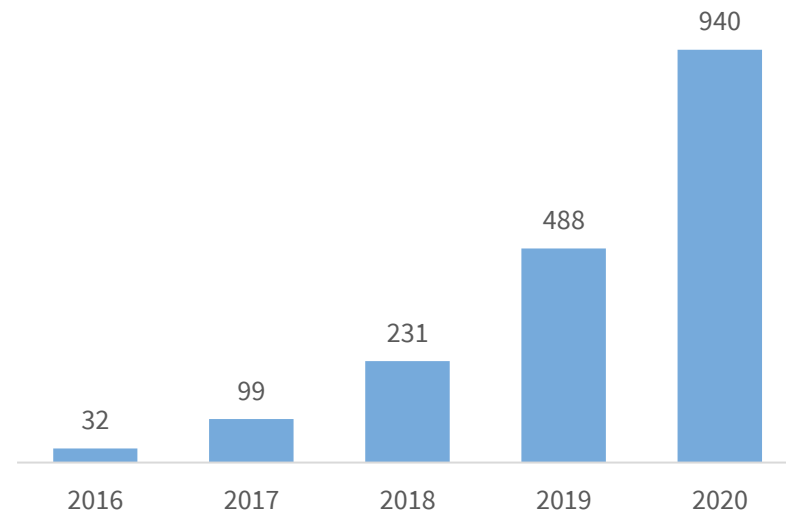
**Making good progress on software developments**

*Note: Products in green completed in 1H FY21*

# 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 engine which integrates own and third party AI algorithms including chest X-ray, CI and brain MR tools
- Released non-imaging AI tools in natural language processing

Number of Images Stored (m)



# Proposed acquisition of RIMAB



- IMEXHS to acquire RIMAB SAS, a radiology services provider, for COP24.3bn (~A\$8.5m<sup>1</sup>) less estimated purchase price adjustments
- Purchase price comprises ~A\$1.4m cash and ~3,649,064 shares<sup>2</sup>
- Acquisition represents 6.6x<sup>3</sup> RIMAB's 2020 EBITDA of A\$1.5m and is expected to be earnings accretive
- RIMAB's 2020 revenue was A\$9.0m (post acquisition on a consolidated basis ~\$3.2m<sup>4</sup>)

- Strengthens customer offering and provides a test bed for developing AI tools
- Removes related party transactions and improves transparency
- Rationalise management structure
- Requires shareholders' approval at an Extraordinary General Meeting to be held at the end of September 2021 with completion expected in October 2021

1. Based on the COP:AUD exchange rate used under the Share Purchase Deed of 2,840: 1.  
2. Issued based on 10-day VWAP to 3 days prior to the announcement of the acquisition on 26 July 2021, includes earn-out conditions.  
3. Purchase price COP24.3 billion / RIMAB EBITDA COP3.7 billion  
4. RIMAB revenue of A\$9.0 less revenue recognised in IME from RIMAB of \$4.4m less revenue recognised in RIMAB from IME of \$1.2m less exchange rate differences \$0.2m (refer page 33 of IME 2020 Annual Report).

# About RIMAB SAS



- Provides radiology services to hospitals and medical facilities in Colombia and teleradiology to Heath Time in Spain
- Co-founded in 2012 by IMEXHS CEO Dr German Arango
- RIMAB and IMEXHS have several clients in common and joint agreements in place
- IMEXHS is the exclusive imaging software provider to RIMAB
- Contracted revenue base with 90% of revenue from top 3 customers

2020 Revenue

**A\$9.0m**  
**Up 60%**

2020 EBITDA

**A\$1.5m**

**~40 radiologists**  
highly skilled  
workforce

**1.2m+ studies**  
completed per annum

**25+**  
radiology  
centres

# RIMAB 1H FY21 Update



- RIMAB H1 FY21 revenue of ~\$A5.3m, up 40% yoy, and EBITDA of ~A\$0.7m, up 25% yoy, (unaudited)<sup>(1)(2)</sup>
- Recent achievements include the renewal of the Central National Police Hospital contract and an increase in average volumes from existing customers
- Since 30 June 2021 new contract signed with ARR of circa \$500k
- Further contracts in prospect within the second half

- Subject to approval of acquisition at the Extraordinary General Meeting, IMEXHS Q4 FY21 will include RIMAB results from ~1 October 2021
- Excluding any one-offs, management expects RIMAB's Q4 FY21 revenue and EBITDA to be above Q4 FY20 results of A\$2.0m and A\$0.3m respectively

(1) Calculated on a constant currency basis. COP:AUD exchange rate of 2,840:1.

(2) As noted in the ASX Announcement on 26 July 2021 there are significant transactions that occur between IMEXHS and RIMAB that will be eliminated from revenue in the consolidated results going forward.

# FY2021 Outlook



**Aquila Custom** - strong near-term pipeline for larger customised solutions



**Aquila in the Cloud (AiC)** – strong underlying demand and implementation time decreasing



**Partner program** continues to create opportunities in new markets, particularly in LATAM



**US expansion** – building presence with AiC, sales team investment and via online marketplaces



**Investing in growth** – Sales, technology development and operational engineers



**FY21 revenue forecast** at \$11.5m - \$13.0m; given continued investment in growth, **monthly run rate EBITDA breakeven** by December 2021 may not be achieved<sup>(1)(2)</sup>

1: Excludes RIMAB Contribution expected in Q4 FY21

2: Based on current spot exchange rate



# Q&A

# Appendix

# 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

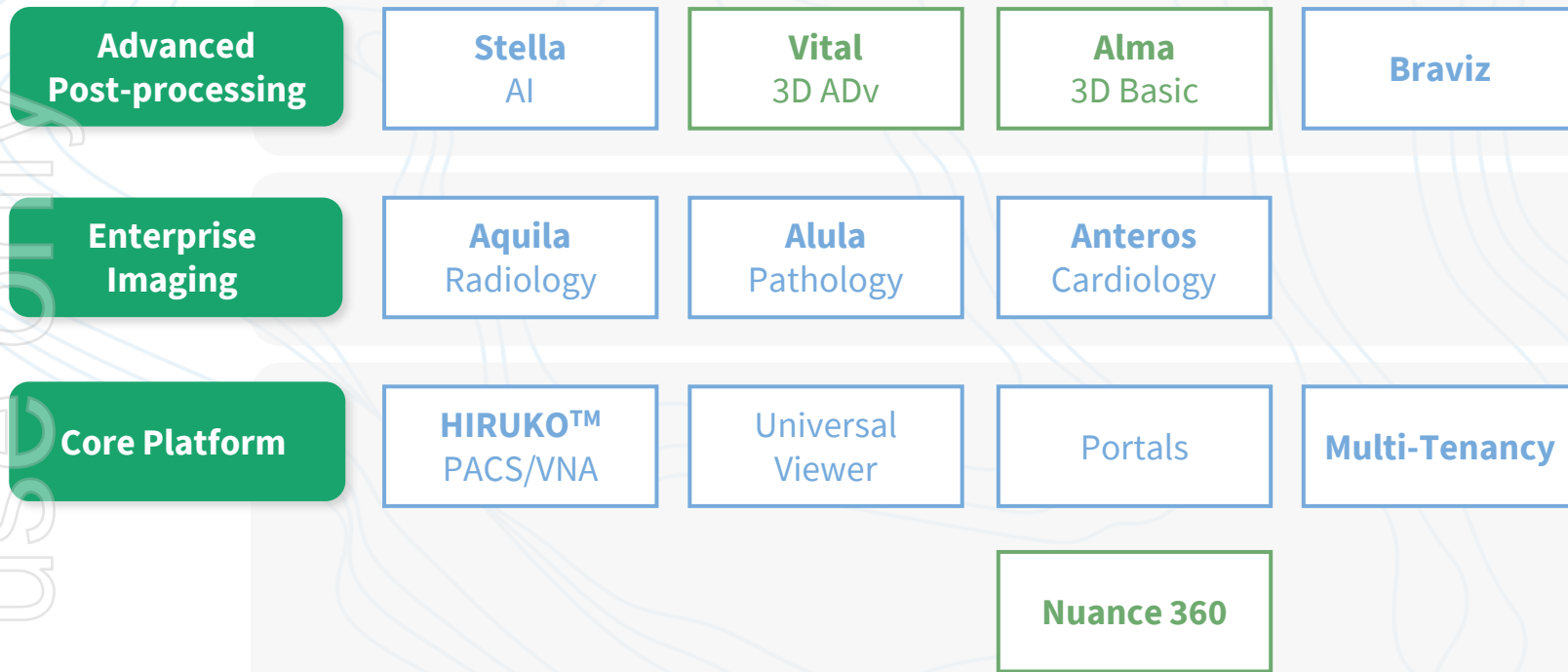
- Multi-modality
- Scalable modular solutions for all complexity levels
- Multiple distribution channels



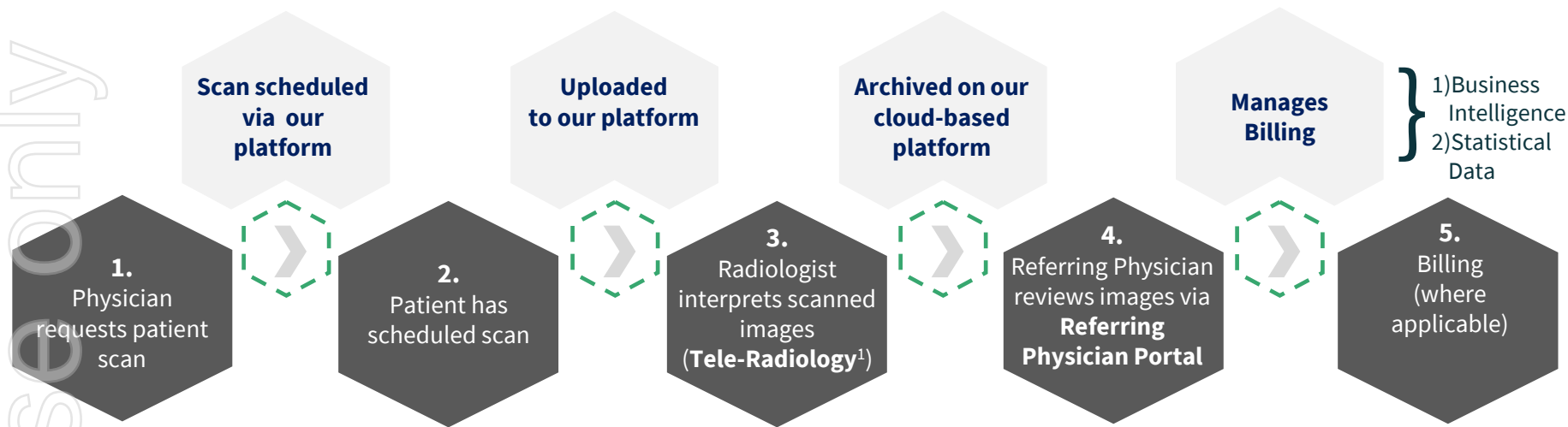
## AFFORDABILITY

- Lower cost base than competitors
- Attractive price point

# IMEXHS medical imaging platform




# End-to-end modular imaging solution



<sup>1</sup> 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


# Range of solutions for AiC customers




 **AQUILA LITE**

---


- Multiplatform**
- Unlimited Users**
- Unlimited Exams**
- 100% Web Platform**
- VNA | PACS Archiving**
- Web Viewer**
- Results Distribution**
- Standard KPIs**


 **AQUILA PRO**



---

- Modality Worklist Management**
- Digital Signature in Reports**
- VR Web (Reporting) (\*)**
- Results Distribution**
- Patient & Physician Portal**

 **AQUILA ULTIMATE**

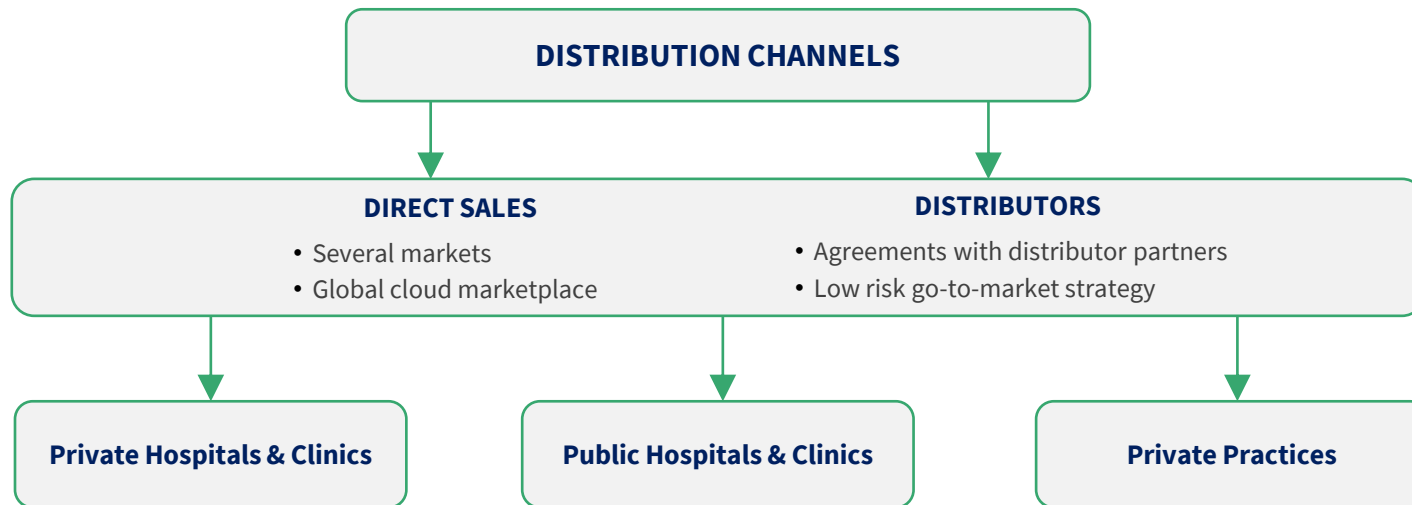


---

- Scheduling**
- SMS notifications**
- Patient Admission**
- Questionnaire**
- Business Intelligence (BI)**

# Multiple distribution channels

- Distributor partners represent important sales channel for both Aquila Custom and Aquila in the Cloud
- New distribution channel on Ingram's Micro Cloud marketplace





# 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

**PACS** Picture archiving and communications system

**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

# Disclaimer



The information contained in this Presentation or subsequently provided to the Recipient of this Presentation, whether orally or in writing by or on behalf of ImExHS Limited or its respective employees, agents or consultants (“Information”) is provided to the Recipient on the terms and conditions set out in this notice.

The Recipient should not treat the Information as advice relating to legal, taxation, financial product or investment matters and should consult their own advisers. This Presentation does not purport to contain all the information that a prospective investor may require. The Information may not be appropriate for all persons and it is not possible for ImExHS Limited to have regard to the investment objectives, financial situation and particular needs of each Recipient who reads or uses the Information. Accordingly, no recommendation or expression of opinion is contained within the Information. Further, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the Information, including the likelihood of achievement or reasonableness or any forecasts, prospects or returns contained in the Information. Before acting in reliance on any Information, the Recipient should conduct their own investigation and analysis in relation to the investment opportunity presented by this Presentation and should check the accuracy, reliability and completeness of the Information and obtain independent and specific advice from appropriate professional advisers.

Statements contained in the Information, particularly those regarding possible or assumed future performance or potential growth, prospects or projections of ImExHS Limited are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks, uncertainties and contingencies. The Information may also be subject to clarification and change and ImExHS Limited may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the Information.

The Information is for informational purposes only and does not constitute an offer to issue, or arrange to issue, securities or other financial products. The Information is not, and should not be construed to be, a Prospectus.

To the maximum extent permitted by law none of ImExHS Limited or its respective employees, agents or consultants nor any other person accepts any liability, including, without limitation, any liability arising out of fault of negligence, for any loss arising from the use of the Information.